

CHECKLIST  
TO IDENTIFY  
THE BEST  
**DMP** FOR  
YOUR  
BUSINESS

DMP Playbook

# Introduction

As the digital advertising industry continues to evolve, there are certain measures both publishers and advertisers need to take, so that the landscape will be in balance. Audience data is becoming one of the important factors in determining the value of any inventory. Buyers shifted to programmatic media buying as they realize the scale and targeted reach.

Now, they want publishers to offer their inventory with sufficient data about users to properly weigh the value of each impression. The market is looking to gain more clarity and transparency in what they trade through accessing the audience data.

Leaving the pros and cons behind, publishers should be focusing their strategy to access, manage, and store user data (Non-PII). This involves investing in Data Management Platforms (DMPs).

## What's in the Playbook?

The purpose of this playbook is to help you begin the DMP evaluation process. The playbook details out the process a publisher should go through to invest in DMPs. This document doesn't get into any specific solution provider.

A publisher-made guide to evaluation of DMPs.

# What is a DMP?

In a nutshell:

For publishers, a Data Management Platform (DMP) is a technology platform that empowers you to import (and export), structure, package, analyze, protect, target against and monetize your audience data.

In detail:

Publishers have access to tons and tons of data. It may be from third-party servers, own server, web analytics, registration forms on the site, registered user profiles, etc. Furthermore, they may have information from CRM, Social Media Channels, Online giveaways. Besides, some run offline campaigns which in turn means offline subscription data.

And, there are plenty of third-party services available to untap mountains of data from the publishers. But the question is, what's the point of having all the data if we can't organize it and put it into action?

That's what DMPs are looking to solve. They simply accommodate data from all resources and organize it in a way it matters to your business.

*"A data management platform is a data warehouse. It's a piece of software that sucks up, sorts and houses information, and spits it out in a way that's useful for marketers, publishers, and other businesses"*

- Digiday

# Reasons Why publishers use a DMP

The first step in evaluating a DMP solution is to determine if a DMP will provide a sufficient return on investment not only in cost but in resources to implement and maintain. The following are a list of reasons publishers have invested in a DMP that can be the starting point for calculating the ROI of a DMP.

## I. Valuable Audience Data

Media buyers want to target specific audiences and are buying impressions based on audience data. A publisher may decide to utilize DMP, primarily because of this reason. Sooner or later, buyers are going to stop buying blind impression completely as they provide little to none in return.

On the other side, publishers can make their inventory stand out with the audience data. A data-rich publisher can use their direct sales team to get premium demands at scale. Any media buyer would be willing to pay premium prices for the right audience. Hence, it's a matter of time for publishers to find suitable buyers.

In a programmatically traded marketplace, the size of the deals can be smaller because of the efficiency of the transaction. A publisher that wouldn't consider a deal smaller than \$10,000 could potentially use audience segments in the marketplace for much smaller amounts but at a much higher yield. A DMP may create many audience segments that can be put out to the market and sell impressions that wouldn't be valuable enough to sell through a direct sales force. Those small segments may add up to significant numbers

## Key Takeaways

Determine how you are selling the impressions (through a SSP, DSP, Ad Network or Ad Exchange) and ensure DMP connect and port data properly.

Discuss with the potential clients about what you can offer (Data + Impressions) to understand the market value.

Evaluate if audience extension provides the scale and efficiency you need.

## II. New Revenue Opportunities:

Another way to put your audience data into action is through targeting. Buyers are looking for a way to reach existing customers and prospects across the web. Majorly, cookie data and third-party segments help buyers to identify and retarget the right users at the right time. Once you have the audience data, you can sell it separately to buyers

For some publishers, this can be incremental revenue. One scenario would involve a publisher that has a valuable audience segment that is too small to directly sell and they don't want to serve impressions on their site related to that segment. For example, a premium branded site might have a segment interested in weight loss but not want the myriad of direct response marketers interested in this segment to appear on their site. Selling this data in an anonymized fashion would protect the brand and provide new revenue.

Another consideration would be the value of the data on its own separate from the media. Determine what comparable segments are worth to assess the revenue opportunity.

## Key Takeaways

Selling data is a separate business altogether. Make sure the company is ready for it, before stepping into the process.

Assess the risks involved in selling data and lay the precautionary measures.

Work with direct clients and buyers to understand the value of your audience segment in the market.

## III. Manage Data Better

As we said before, DMPs are not only focused on revenue, but also on efficiency. With exabytes of data flowing in every second from multiple sources, a publisher might find it difficult even to make sense of the kind of data.

Turning those chunks of data into actionable insights and reports will be even harder. In this situation, a DMP can help you by being a unified insight generator. It can streamline all kinds of data and turn them into actionable reports for all your departments. Furthermore, managing relationships with myriads of third-party data providers is not an optimal solution for publishers. Most DMPs already have an existing relationship with third-party data providers which can be utilized by the publishers without worrying about any extra work.

The best part is, the size of data keeps growing. With the shift to the cloud, the cost has become all-time low and expected to drop. So, your growing data can be stored cheaply and utilized effectively using DMPs.

## A DMP can,

- Provide insight throughout the sales process from strategy and planning, responding to RFPs and post-campaign reporting.
- Measure the effectiveness of editorial and marketing efforts to increase a particular audience segment.
- Supplement web analytics reports with additional audience insights for research and management decisions.
- Reveal non-endemic audiences that help grow the business into new areas.

## Key Takeaways

Analyze and map out the sources of data by working with your IT team. Determine the use cases along obstacles involved in bringing them to one location.

List out the departments that can benefit by using a DMP in your organization. Predict the impact that can be made, once DMP is deployed.

Work with the third-party providers to get an understanding of what it takes to manage and control third-party data.

Ask a DMP, if they can integrate a third-party data provider for you and access the specific data.

Determine how scalable a DMP is. If your data keeps growing, can DMP accommodate and keep on generating actionable insights?



# Evaluating your DMP Needs

For a Publisher looking to take advantage of first-party data:

If you're a publisher looking to leverage first-party data by layering it into your own media, you should go for a more robust solution. Think about how you're going to define and identify your target audience. What makes your audience valuable and how you're going to number it? Is it the duration on a page, buying capability, demographics, etc.?

You need to make sure the tools are compatible with DMP. Do you need any developer support for integration? Can the DMP sink and use the data from the tools directly?

For a publisher looking to use audience extension:

If you're a publisher looking to leverage your first-party data via audience extension, integration of DMPs and DSPs are important. Ask what DSPs, your DMP can integrate with? Or already integrated with? Can they integrate a client-specific DSP?

Recently, some of SSPs have come up with a solution for selling audience extension. As a publisher, you should make sure to ask them about SSP integrations too. Many DMPs are data aggregators themselves and have a server to server integrations that only support their data, and aren't able to code certain segments as specific to a client and therefore off-limits to the DSPs consumers at large. This is a subtle detail but could delay your use of your data or alter your implementation plan, so it's important.

For a Publisher looking to monetize data:

If you're a publisher looking to monetize data, you should consider partnering with DMPs who're already selling data.



## Key Takeaways

Making a decision and selecting an appropriate DMP is a multi-disciplinary process which requires collaboration and proper communication between the departments.

As the level of coordination is high, the need for a senior person to manage the project is also high. Without a dedicated manager, the decisions may stall and pushes out needless latency in the operations.

Just as a manager, a project owner is also important to take over the responsibility and embrace actions.

Involving key stakeholders upfront is essential in this project. A little discrepancy may doom the whole project at the end.

Data Management strategy is a long-term strategy and so, requires future-focused thinking and investment.

Throughout the evaluation process, define what needs to be the output and in what way it's contributing to the organization.

# DMP Checklist

## DATA COLLECTION AND ORGANIZATION

Can your DMP aggregate and organize your first-party data from any source - Online, Offline, CRM, registration lists, mobile, etc?

## AUDIENCE INSIGHTS AND PROFILING

What analytics does your DMP offer? Can you contrast your audience against first- and third-party data sources to learn more about who they are and how to engage with them most effectively?

## RETARGETING

This is DMP 101-but does your DMP offer the ability to quickly and easily build customized retargeting campaigns based on specific activities and behaviors your consumer has taken online or offline.

## PROSPECTING

Can you purchase third-party audience data to achieve higher precision and scale to reach the right audience?

## CAMPAIGN OPTIMIZATION

Does your DMP use machine-learning to increase engagement with your campaigns?

## CONTENT CUSTOMIZATION

Can you use audience insights linked with your CRM to offer customized content for different consumers when they visit your website?

## SUPPORT

Will you have consistent support throughout DMP implementation and beyond?

## CROSS-DEVICE

Can you identify and reach consumers across screens for a true cross-device campaign?

## TV DMP

Does the cross-device function of your DMP include Smart TV audiences?

## 2ND-PARTY DATA MARKETPLACE

To exchange data and connect with participating customers

## SEMANTIC ANALYSIS

Can your DMP understand the content of a page, by reviewing the language directly?

## VIEWABILITY

Can your DMP understand the viewability of page elements, by reviewing the page directly?

## INNOVATIVE, FLEXIBLE, AND TRANSPARENT

To exchange data and connect with participating customers

## HIGHLY INTEGRATED

Can you export and activate your data across dozens of channels?

## ACCESS TO A GLOBAL DATA NETWORK

Does your DMP offer you access to billions of people across every imaginable kind of data type and segmentation all within the platform?

## 3RD-PARTY DATA PROVIDERS

How many can your DMP offer for purchase right inside the platform?

## Decision Factors

**Business Model:** DMPs have different models. So it is your job to make sure the model is in alignment with yours.

**Pricing:** The same goes for pricing. Understand the different pricing conventions of DMPs in the market.

**Flexibility:** The DMP may allow a publisher to configure as the business requires it. Look out for the flexible DMP.

**Expertise:** The solution provider should understand the requirements and the market and data management strategies. Look for a proven track record with similar publishers. Make sure their experts are accessible to you

**First-Party Data Capabilities:** The DMP offers the ability to collect, organize, analyze and activate first-party data as needed.

**Second-Party Data Capabilities:** Second-party data (for example, ad server data), can provide useful data for new audience segments.

**Cross-Platform Collection and Targeting:** As more traffic comes from mobile and other devices the ability to work across platforms and the target will grow in importance.

**Easy Data Import:** The DMP makes adding data sources into systems easy to do.

**Easy Segment Creation/Management:** It's easy to create and manage segments within the DMP.

**Third-Party Data Capabilities:** The DMP's ability to access third-party data sources.

**Third-Party Data Costs:** Costs involved in onboarding a new third-party data provider.

**Ability to sell your data:** If selling in your business idea, DMP should be capable of selling your data.

**Data Sales Transparency:** The ability of DMP to allow you to sell in a way you want - Full anonymity or transparency.

**Audience Extension:** If you're willing to utilize audience extension, DMP should provide the necessary tools.

**Partner-Agnostic:** A DMP should not limit you to a certain number of SSPs or networks.

**Testing:** Does DMP allows you to test?

**Road Map:** Can DMP outline its future plans? Is it in alignment with your plans?

# Summary

As data is becoming a currency in display advertising, publishers will have to decide to what extent they will invest in solutions to help them collect, understand and monetize the data they have at their disposal. Besides helping the publishers in data management, a DMP will also prove to be a boon as it improves inventory monetization, adds new streams for revenue, and let publishers understand their audience better.

For publishers that have the resources and a proper business strategy, picking the right solution is critical. The evaluation process behind selecting a DMP is a project in itself, requiring a dedicated project manager and the participation of all stakeholders (e.g., sales, editorial) from the very beginning.

The project manager must understand his/her company's requirements well enough to weigh the relative importance of the numerous deciding factors—many of which are of the utmost importance. This will be essential for discerning the right solution in a crowded market.

**Here** are some of the top DMPs you should know about.

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