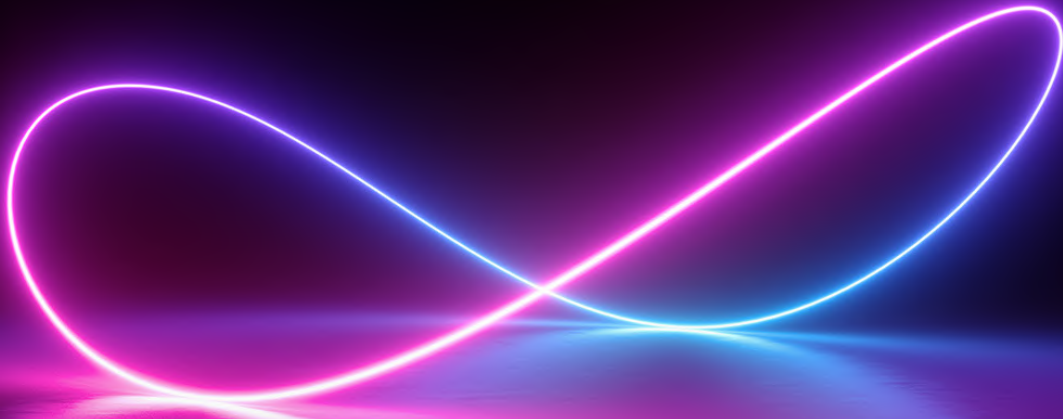




ADVERTISING TO AI-DVERTISING

THE IMPACT OF AI ON MEDIA INVENTORY MANAGEMENT



It's 2021 and everyone is consuming more content online. Publishers, broadcasters, and other media outlets are offering advertisers more digital choices than ever before. While the volume of choice is enormous, not all ad space is premium.

Though today's technology platforms are now sophisticated enough to help advertisers optimize digital campaigns against specific performance KPIs, marketers still struggle with unsold inventory.

Technology is at the forefront of sorting through the complexities of media inventory. And Artificial Intelligence (AI) is the reason why.



WHY MEDIA INVENTORY IS READY FOR AI

There are already dozens of use cases for AI in advertising today. Yet with programmatic advertising having grown exponentially in the past few years, AI has also left its impact on the way advertisers,

and publishers buy and sell media inventory.

The supply side must offer equitable media inventory to buyer-side systems. Therefore, AI-driven systems help to ensure that media inventory is priced accurately.

7 Ways in Which AI Will Impact Media Inventory

Fragmented media inventory and questionable data quality impact the effectiveness of algorithmic programs. But with mature technology, advertisers and media channels are beginning to experience the impact of AI that can sort through content value and solve the complexities of optimization.





1

Improved Inventory Forecasting

All technology platforms help predict results based on a set of selections. Advertisers often attempt to optimize the budgets, KPIs, ROI, and media mix for campaigns before buying inventory by building a media plan, which then offers predictive KPIs such as Unique Reach, estimated CPMs, etc. Forecasts are created based on current

trends as well as the performance of similar campaigns in the past.

Artificial Intelligence provides insights that were previously unavailable. It can use advanced media inventory models and provide solid control of operations by making more accurate predictions on audience outcomes.

**2**

Dynamic Distribution & Content Trends

Media companies offer a competitive advantage through their content and distribution networks. AI adds a third advantage: relevancy. Thanks to AI and ML, media and entertainment companies can now predict content performance and anticipate trends more accurately. AI leverages parameters to gain contextual

relevance for inventory, which can then be used to connect people to relevant content at the right time.

AI can also recognize faces, speakers, objects, actions, brands, keywords and even sentiments – which can trigger alerts for the specific outlets and content types that will attract a certain audience or improve conversions.

Greater Precision in Audience Targeting

Today, creating media plans is challenging due to the increased number of audience segments that need to be reached. Audiences can overlap, resulting in people getting slotted into more than one audience segment. Therefore, consumers may be bombarded by the same ads repeatedly, which is a waste of valuable advertising money.

AI can help media planners target with greater precision across multiple audience segments by understanding how they overlap at a granular level. This level of audience targeting can pull together the right mix of inventory for the best campaign outcomes. As a result, media planners can look at inventory based on individual consumers instead of average audience segments.





4

Analysis of External Data for Real-time Decisions

Online activity generates massive amounts of data, including location details, social network activity, search queries, purchase activity data, and more. In addition, external data like seasonal changes, daily weather, sports results, and news can provide valuable insights for marketing.

AI acts as a watchdog to alert media buyers to potential trends and economic situations.

This access to real-time data enables better inventory usage, more accurate campaign decisions, and greatly improved results.

For example, suppose a local football team progresses through the state championship playoffs. In that case, The local region is likely to show an increased response to ads aligned to sports programming, such as food delivery offers, on the next game.



5

Forecasting Inventory Demand and Pricing

Forecasting is an exercise in probabilities calculated using data on competitors' competitors, demand, segmentation, and budgets. As these calculations are probability-based, errors may be introduced, such as media inventory selling faster or slower than

expected. Using AI-driven pricing engines, publishers can use dynamic demand shaping to tweak demand curves by changing prices. This could be based on real-time inventory and offer greater control over media inventory while ensuring fair pricing.

Yield Optimization

Many factors influence the effectiveness of advertising: memory decay (i.e., the speed at which people forget messages), the ad display type, frequency of message, ad combinations, etc.

AI can help media planners find the optimized yield faster with the ability to evaluate tens of thousands of media plans and measure their impact on metrics. This can save significant time in testing and result in tremendous media savings.





7

Post-Campaign Inventory Analytics

Artificial Intelligence and Machine Learning platforms now offer a new generation of analytical capabilities to monitor and assess inventory performance continually.

With this analysis, media buyers can understand how their past campaigns performed against expectations, resulting

in improved, more accurate prediction of inventory performance over time. Additionally, insights from millions of data points can help expose new media inventory opportunities through recommendations based on demand, new target audience segments, etc.



THE REALLY REAL-TIME RESPONSE OF PROGRAMMATIC ADS

Programmatic advertising refers to automated planning, buying, placement, and optimization of media inventory through a digital platform. Ideally, any algorithmic program should be able to offer real-time optimization inputs. But these inputs often depend on a variety of campaign factors.

How do media planners respond to micro-second changes that occur during live events such as the Super Bowl? How do marketers perform mid-campaign

analyses and make rapid shifts more effective based on real-time ad data?

With large amounts of data, AI-powered tools can look for patterns, which can predict campaign changes that will improve performance. And AI can do this in a nearly real-time fashion.

Campaign testing, followed by data collection, analysis, and then iteration, can take days, if not weeks. With an AI program, it can happen in minutes.

MEDIA

THE AI OF THE STORM

According to the Covid19 Subscription Impact Report, subscription rates after March 2020 grew three times for digital news and media and nearly seven times for streaming services, highlighting the need for more content, challenges with privacy, lack of transparency, and poor quality data still must be overcome. Publishers and media agencies need to look for technology solutions that can help them offer verification and valid results to marketers.

In the eye of this media storm, artificial intelligence drives changes in media inventory, content recommendations and advertising processes.





ABOUT TAVANT

Headquartered in Santa Clara, California, Tavant is a digital products and platforms company that provides impactful results to its customers across North America, Europe, and Asia-Pacific. Founded in 2000, the company employs over 2500 people and is a recognized top employer. Tavant is creating an AI-powered intelligent enterprise by reimagining customer experiences, driving operational efficiencies, and improving collaboration



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