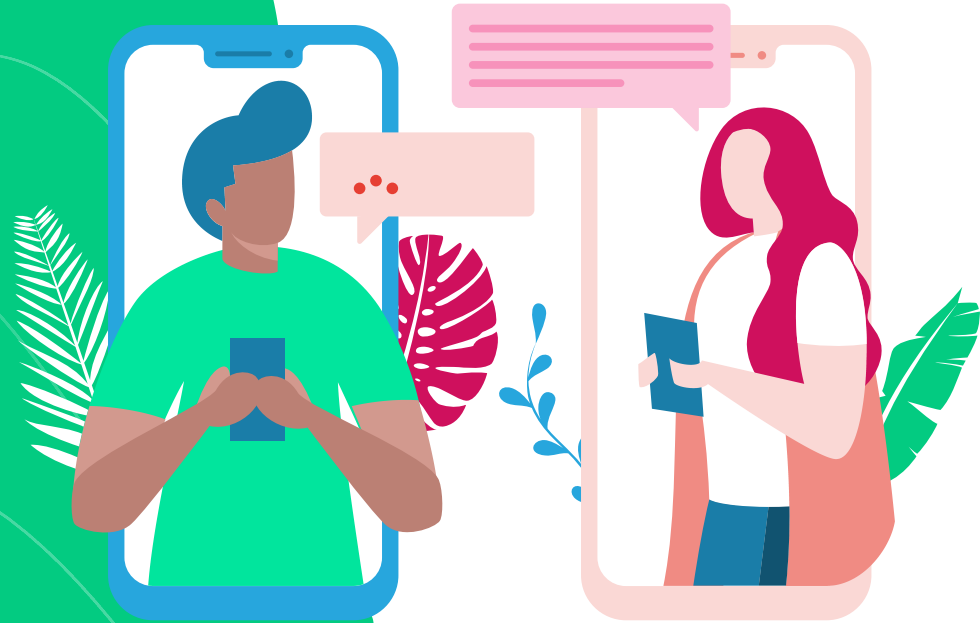




Optimize Your 2023 Ad Spend

10 Things You Need to
Know

Tuesday, January 24, 2022





welcome!



in today's discussion, we're going to cover 10 key factors you need to know to optimize your 2023 ad spend across:

- consumer behaviour
- audiences & the advertising landscape
- creative innovation
- measurement trends



consumer behaviour



1. opportunity remains for brands, despite economic uncertainty

canadian ad market growth

- despite lowered forecasts, the Canadian ad market is expected to grow 4.3% to \$21.3B 2023
- while digital ad spend growth has slowed, it's expected reach 10.5% YOY growth in 2023
- digital ad spend currently accounts for 68% of the total ad spend

trends and behavior

- two-thirds of consumers say their current financial situation is secure*
- CPG, apparel and technology are the top 3 industries with the fastest growth in digital ad spend
- B2B, travel, restaurants + beverage, and financial services are projected to post YOY growth

1. recommendation: **don't cut your ad spend**

- 73% of advertisers surveyed see a recession or downturn as an opportunity to gain market share
- take advantage of decreased competition in market for high-quality placements
- invest in channels that offer increased insight into your ad spend to monitor, scale, and optimize in real time





2. proliferation of connected devices

- the avg internet user spends 40% of their life using connected devices & services
- 87% of TV viewers prefer targeted CTV ads over traditional TV advertisements
- 90% of customers expect consistent interactions across connected channels

2. recommendation: harness the power of connected devices

- advertisers using 3+ channels saw higher purchase rates than single-channel campaigns
- omnichannel personalization has 90% higher customer retention rates than a single ad alone
- with Canadians more connected than ever, a strategic omnichannel approach to advertising is key



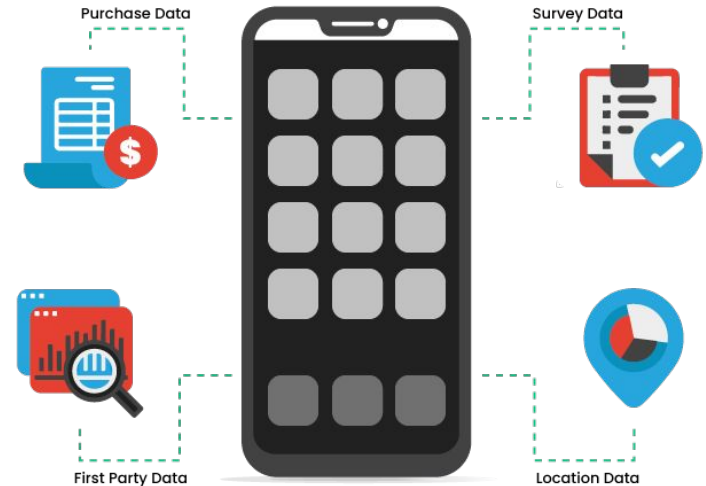


3. mobile data is (still) king

- there are 35.9M mobile internet users in canada
- 67% of the world's population uses a mobile phone
- 5G technology allows consumers to stream, connect across devices, and browse on mobile, making it comparable to standard desktop browsing

3. recommendation: leverage mobile data for effective omnichannel advertising

- mobile data paints a 360-degree view of a consumer
- Canadians are in a mobile-first mindset, making mobile a key driver in:
 - providing actionable audience insights
 - fuelling connected channels
 - bridging online & offline advertising





audience trends + the advertising landscape

4. the cookieless future is now

- between 50-60% of signal data from third-party identifiers has been lost (Firefox, Safari, iOS)
- the decline in data has already seen supply and demand struggle with:
 - 1:1 audience targeting
 - frequency capping
 - retargeting
 - effective ad measurement





4. recommendation: leverage user panels for effective targeting

- data use isn't dying; it's evolving
- the future of consumer targeting is panel-based solutions, which provide access to rich, real-time consumer data and cross-platform targeting



5. contextual advertising

- privacy updates have advertisers seeking new ways to target audiences with the right message, at the right time, in the right place
- 53% of survey respondents claim ads embedded within high quality content were more likely to grab their attention
- 51% of marketers have already begun increasing investment in contextual targeting
- contextual advertising is expected to reach \$335B in 2026

5. recommendation: contextual advertising

- contextual advertising provides a data-driven, efficient solution to optimizing ad spend
- use in conjunction with behavioural targeting strategies to improve efficiency & make informed targeting decisions





6. location-based advertising isn't losing effectiveness

- 47% of consumers surveyed are happy to exchange data with businesses so long as there is a clear benefit to them
- 25% of people claim to be unconcerned altogether about their data

6. recommendation: leverage & scale the right data sources

- while permissions have changed, valuable location-based data is still available
- leveraging data from opted-in consumers, LBA can model & target down to an FSA, targeting a number of demographic factors





7. invest in local media

- digital media giants saw growth slowdown in 2022, which is predicted to continue
- local media advertising offers:
 - precise targeting in specific geographic & demographic areas
 - cost-effective solution that supports local economy
 - increased control over content placement & brand safety

7. recommendation: **unlock the potential of local media**

- take advantage of localized, specific audience reach with strategic investments in local media
- maintain a strong presence in market, while building brand loyalty in key local areas



creative



8. beyond the traditional: creative format innovation

- consumers are exposed to as many as 10,000 ads per day
- 51% of survey respondents claimed they were agitated by ads not relevant to them

8. recommendation: catch eyes (and convert them)

- customers will expect quick, seamless ad integrations across connected devices. Standout creative is key
 - leverage emerging tech to optimize creative & better understand the impact of design choices on your advertising outcome
- emerging formats & technology (such as shoppable ads and AI-driven creative) will become standard



measurement

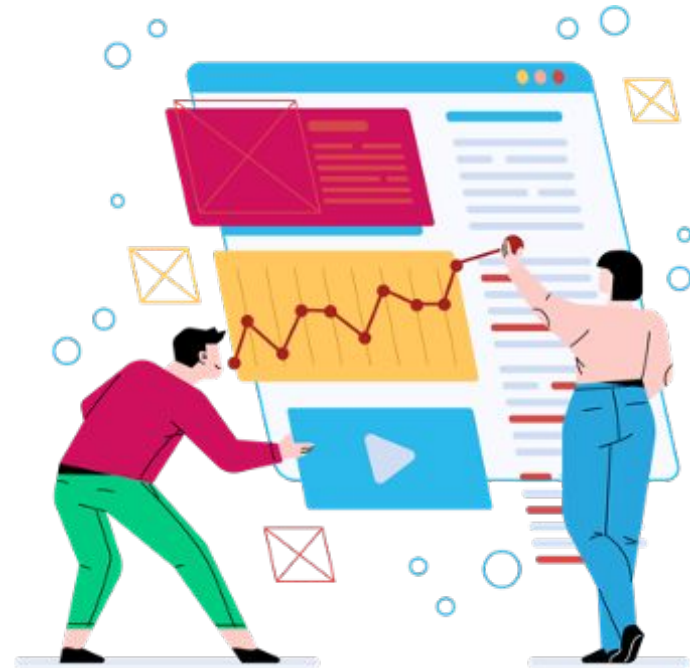


9. measure what matters: the need for holistic measurement

- +52% of buyers expect to place more focus on measurement in 2023
- privacy regulations and the emergence of popular connected devices have rendered some existing methods of measurement obsolete
- as more and more users access the internet from multiple devices, accurate, cross-device measurement is increasingly important

9. recommendation: it's time to rethink measurement

- activate user panels for intelligent targeting across audience blind spots and offer insights that go beyond the norm such as:
 - reach & frequency
 - foot traffic attribution
 - brand lift studies
- seek out integrated measurement solutions for a holistic view of campaign performance across multiple channels, platforms and devices



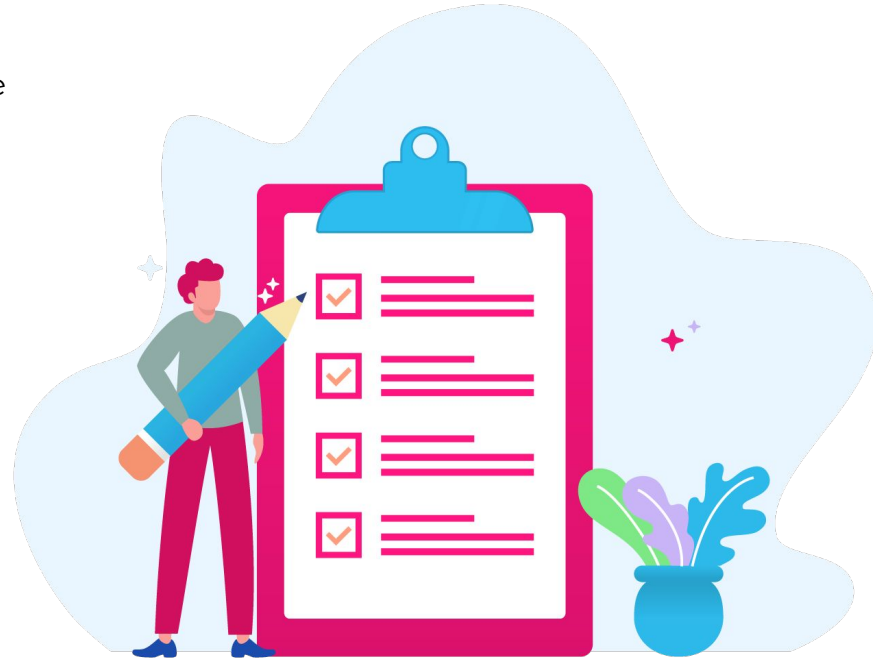


10. the beginning of ad tech 3.0

- new datasets will emerge
- new targeting and measurement solutions
- creative will be front and centre
- AI will become very important

10. recommendation: leverage trusted partners to optimize your ad performance

- overall, it's key to focus on intelligent targeting & measurable results that deliver true value
- work with trusted partners with diverse knowledge to:
 - identify and target key audiences across connected channels for an omnichannel approach to marketing
 - leverage distinct, innovative creative designs and platforms that convert consumers
 - provide holistic, cross channel measurement for real-time optimization



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including cutting edge ad
creative in house



high impact creative

tailored to your brand



insightful measurement

with actionable insights



scalable audiences

specific to your brand



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of driving creative innovation for
our clients