

Fireside Chat

RAIN Digital Audio Advertising Summit

Alexis van de Wyer, CEO AdsWizz

Simon Thomas, Joint Head of Client Strategy, Omnicom Media Group, Programmatic UK

AdsWizz CEO Alexis van de Wyer had the opportunity to sit down with Simon Thomas, Joint Head of Client Strategy of OMGP UK at the RAIN Digital Audio Advertising Summit in early June at The House of Blues in Chicago. Omnicom Media Group Programmatic (OMGP) in the UK has been close partner with AdsWizz for more than 3 years. Simon's award-winning audio team has been fully leveraging the **AdsWizz DSP, AudioMatic**, to manage their audio campaigns, and are continually pushing the technology to create more intelligent and more innovative experiences for their listeners. The audio business for OMGP UK has exploded during this time, growing from a few campaigns with a small number of brands, to hundreds of audio campaigns with dozens premium brands including award winning audio campaigns with Virgin Atlantic. In addition, while AdsWizz has won the **Best Overall Technology for Programmatic Trading** two years in a row at the DRUM Digital Trading Awards in London, the OMGP UK team has also won **Best Trading Team** two years in a row during that same period.

Their conversation is captured below.

Alexis: It's great to be here at The House of Blues. Last time I was here was 20 years ago for a Bangles concert. (laughter). Not my proudest musical moment.

I'm often asked by our key publishers and agencies and brands -- What's best way to leverage programmatic audio, and technology to make it sexy? To make it more impactful for listeners and more impactful for brands? I thought about who to invite, and top of my list was Simon. The UK market was very early in adopting programmatic audio at scale, and has become quite sophisticated. Within the UK, Simon's team has been very advanced and aggressive in really understanding how technology can deliver richer experiences, with greater impact for the advertiser. So I thought he'd be a perfect person to talk us through what's new and what's possible in digital audio advertising, so we can get insight into what's coming next.

Alexis: So Simon -- why is it that the UK market and more specifically OMGP UK has really embraced programmatic audio and invested resources and a dedicated team to take audio to the next level?

Simon: Thanks Alexis. At Omnicom Media Group, we've been operating in the programmatic space for 10 years, and I've been in the space for 5 years. We work with the most advanced capabilities out there, and also have a central unit focusing on programmatic with dedicated functions, including an engineering team of 8. This enables us to amplify the benefits of the partners we work with, such as AdsWizz. In audio, we have been operating in programmatic for 4 years. In the beginning, the original DSP we were using for programmatic had indicated that they were able to do everything. But the truth is that different technologies are required, working together, to achieve the best goal for our clients. There are walled gardens, and

partner technologies that are always changing and continually evolving. The original DSP partner we were working with could not scale, nor could they overlay data. They could not do in the audio space what essentially had been standard in the display space for years. We've come to expect this level of scale and sophistication in audio, and found that the AdsWizz platform gives us this capability. Since we've been working together, our programmatic audio business has seen significant growth. Of course during this time, audio and digital have grown tremendously, as I'm sure you all have seen here too. In the UK, 52% of population listen to digital audio. So in summary, we've learned that using different technologies that are the best fit for the medium allows us to do more and better things for our clients.

Alexis: You just won the award for the 2nd year in a row for The *Best Digital Trading Team* in the UK. At the same time, we were called out for the 2nd year in a row for *Best Overall Tech for Programmatic Trading* -- beating out larger and more mature display and video programmatic platforms. It's impressive that audio as a market has been gaining traction against other large players who have been investing in the market for years. Why do you think suddenly audio is coming of age, and why do you think we are getting this recognition two years in a row with teams that specifically focus on audio?

Simon: As technologies progress and more channels become digitized, we find we can do more things centrally, working with best-in-class partners and be more innovative, certainly in programmatic. Different technologies progress at different speeds. In the UK, we work with the best partners in the space and make sure the experiences we create in the specific channels -- video, display, and increasingly audio -- work as well as possible. We want to be as advanced as possible in each of the channels we work in. In audio, we don't think that you just tack the capability onto the back end of an existing partner, that may not be optimized for audio. We're agnostic and work across multiple partners. This gives us the opportunity to see what other partners are doing and the key is that gives us the opportunity to have the best technology for the medium where we are creating ad experiences. The key for us is making sure that the channel can scale, and is able to operate within the programmatic parameters that we are looking at from an addressable point of view. It's critical for us in any medium that the tech can scale, and that we have the ability to run campaigns with centralized intelligence.

Alexis: Let's shift gears and talk about the some of the campaigns and innovations that you have launched. We can look at it a lot of different ways. One very important lens by which we can view innovation is listener engagement. Can you tell us about things you have done that allows you to engage listeners?

Simon: Absolutely. Driving listener engagement was a key part of our growth. When we first entered the space, there were two worlds coming together. You had the traditional radio world, and the digital world. We learned that if you have expectations for either world separately, in isolation, you're going to struggle. Digital audio is a continuous evolution that is always growing and moving forward. One important thing we learned was how critical it was to educate people that audio is different. I know it seems straightforward. Listening to an ad is an entirely different experience that viewing a display banner for example. And still, we will see

clients that ask for Click Through Rates on companion banners as a measurement of listener engagement, which makes no sense. Why would this be your measurement of success? It reminds us of early days of display advertising. We of course see listen through rates almost always over 95%. And certainly when you look at consumption across new products coming onto the market, you see a shift in listener engagement. Smartphone consumption in audio has reached 64%. And smart speaker penetration has take off. If you only go back 1 1/2- 2 years, about 4% of your audience were listening to ads via smart speakers. Now it's more than 20%. The smart speaker adoption took even Jeff Bezos by surprise. In his Q4 earnings call, he mentioned that he didn't expect the sales to be so high, and so they now are doubling down their efforts in that space. A big part of listener engagement is how you naturally engage with the audio environments that you are operating in, and maximizing it to the best of your ability. And as I said before, we use the technology that is designed for audio that enables us to do that. Which also starts to get into measurement and attribution.

Alexis: I'm glad you mentioned attribution. Attribution and ad effectiveness in audio is often considered to be the Holy Grail. How you measure audio ad effectiveness and how you create new metrics specifically for digital audio is extremely important. You have done some interesting campaigns in audio in terms of measuring the effectiveness and measuring the impact on users, and how those listeners were engaged and closer to the brand. Can you share some of these stories?

Simon: Sure. There are lots of different ways to measure audio ad effectiveness, and AdsWizz and other partners are really driving this forward. For example, DAX is a big partner and they've helped both on education, as well as on measurement. We are often looking centrally at how well we are able to drive footfall into a specific location. The best example of this is in automotive. Typically, the automotive advertising is trying to get test drives into the closest dealership. So the question is: how do you get people into the dealership and measure it with audio? We ran one test with a car advertiser, where they had great success with audio ads, resulting in up to 19X positive impact in driving people into the dealership vs the control group. The test was able to attribute the positive impact to audio exposure. Not only that, we were able to measure precisely how far people traveled to get to the dealer when they came in, which obviously varied, depending where in the country the audio ad was played. We are able to gather interesting insights and engage with the user, specifically because it's audio. You also have innovative formats, including ShakeMe, which cues the listener to shake their phone to drive an action. This can work for driving app downloads, or going to a website, which are highly measurable. All of this combined provides a much better way to understand what success looks like alongside the traditional metrics that exist.

Alexis: We are talking a lot about scale. And what programmatic brings to the advertisers is the ability to really customize and optimize targeted ads -- all at really large scale. Can you share examples of some of the things you have done in this space?

Simon: Yes, absolutely. The whole premise of programmatic is around the idea of addressability and the ability to be more targeted than a really broad buy. But it has to be at

scale or it doesn't really make sense. My example is when we talk about targeting the man who's walking his dog in the rain on a Sunday. Technically, we could probably target this man. But it will only get you so far and won't make sense because it doesn't have scale. With the AdsWizz platform, we are able to do this across the partners that we work with. It gets really interesting when you start talking about things like dynamic creative, which can be quite powerful. We partnered with A Million Ads to do a Dynamic Creative campaign last year with Virgin Atlantic, which we won an award for. We were trying to drive more seat sales for their airline flights, and highlight how amazing Virgin Atlantic is. We were able to come up with a personalized ad that had 28,000 variations. The ad had 4 major categories of variables: 1) it varied based on what the weather was when the ad was listened to; 2) it varied based on the time of day; 3) it varied based on what day of the week it was; and finally, 4) it changed based on where you were in the UK. When we talk about the ad, I think people think it will sound unnatural, like Siri. But the cool thing is that it's incredibly seamless, and you can't tell that there are so many variations and how personalized and customized the experience for the listener really is. <Play ad here.>

As you can hear, it's quite natural. And it's all executed in real time. You hear a different ad depending on where you are. (Obviously we don't include the person's name.) And what was very interesting about that ad is that we were able to measure it back to brand recall, brand uplift, and ultimately sales. We were also able to track what was happening on social media, where we had a tremendous amount of very positive feedback. People were amazed and how fantastic it was and how personalized it was. Some even felt it was so astounding that it was almost like 'witchcraft'. What we were doing was overlaying weather targeting and location based targeting, and then doing the personalization and customization around creative. The end result gives a much more natural feel to the ad than you would expect. And all of that working together was what drives engagement.

Alexis: One of the things that is so great about programmatic is that you can go to this level of sophistication and execute on this technology at scale, without having a huge operation. It's the technology that enables you to achieve this scale and these results. You've also done a lot about pure weather targeting and triggers around weather. Can you tell us about that?

Simon: Absolutely. So, historically in the programmatic space, outside of audio, there have been partners that can do weather targeting. But when you can do it centrally across all your partners, and have an audio platform that can fully take advantage of this type of targeting, that's where it really gets interesting. And then the question is: how can we think outside the box? One example is an energy company we work with. We were able to leverage business intelligence that tells us about things like customer engagement, or the rate of sale, or awareness when the temperature shifts. We ran campaigns with this energy provider, where we were able to measure that, as the temperature went down below 5 degrees C (40 degrees F), engagement with the ad increased. In addition, we were able to suppress the campaign, so that it only ran when the temperature was below 5 degrees (40 F), to minimize waste in the ad budget. We used a similar strategy with a soft drink provider, where we knew that sales increased when the temperature is up around 15 or 20 C (75 F). We also knew that if it goes

higher, then they are actually looking for ice cream or ice water. So, using the technology, we are able to control when the ads are played, and measure the increased engagement specifically based on weather patterns. We are able to creatively work with the intelligence that's shared by the insights from the operating teams and the clients.

Alexis: One of the campaigns that you've run is for the Alzheimer's Society, which represents another way to take advantage of the technology and create a custom audio experience for the listener. You were able to really talk to the listener and be personal, with meaningful and measurable results. Can you explain to us what you've done there?

Simon: Sure. It's similar to the Virgin Atlantic audio ad campaign. It's also a great example of what we can do when we use the best-in-class technology and tools. We ran a Dynamic Creative campaign for the Memory Walks that the Alzheimer Society put on that happened all across the UK. The goal of the campaign was to drive awareness and get people to sign up for the Memory Walk, and ultimately raise money for the Alzheimer's Society. We ran a campaign where the audio ads told you where the local walk was in your vicinity, and also included the unique date of the walk at that location, as the walks were all happening at different times across the country. Not only that, the audio ad was continually updated with how many people had signed up for the walks in each specific location. For example, "there are 10,000 people signed up in your area on this date, and there is still time to sign up." It really was a nice way to engage the listener, and also be provide a lot of detailed information on the upcoming walks.

Alexis: When we look at display and mobile, one type of campaigns that is often very successful is native advertising. As a reminder, native advertising by definition means that the ad actually blends into the content. So with audio, we're lucky, because we are 'native' by definition -- because for 30 seconds, or 60 seconds, or however long, the ad actually becomes the content for the listener. I believe you've started to look into how to make the content of the ads to actually blend into the content of the ads and how it blends into the background.

Simon: I suppose this ultimately goes back to the seamless experience. We look at creative, the device, and the opportunity. And using the data that we have to ultimately make it as smooth as possible. I know there are new formats that are coming out, and I also know that you have done some new things, and I believe one of them is actually in this area. Can I ask you to talk about that?

Alexis: Sure. What we are seeing in the US is that there are companies that are actually changing the content and the embedded background music in an audio ad, depending on what genre of music the listener had been listening to when the audio ad came on. So what happens is that ad is not so jarring, as it flows right from the type of music you had been listening to prior to (and after) the ad break. You almost feel like you are continuing to listen to the audio while you are listening to the message. On the one end, it's less obvious that it's an ad and less intrusive, and sometimes it even doesn't perform as well from a brand performance point of view, because it actually is SO seamless, the listener may not even know that it's an ad.

However, from the listener experience point of view it's quite successful and a very interesting new innovation. It almost feels like you are listening to the music audio while listening to the ad message.

(Note: See the award winning [Mercedes Benz](#) audio ad, or AdsWizz campaign with [AI Music](#) and [case study](#), for examples of campaigns running using this technology.)

Simon: It's interesting in the area innovation, as we've seen things progress. Some of the players in the space can be quite slow. You've got quite a lot of formats that are developing that are really exciting. And on the theme of how audio is becoming central in our lives, I wanted to tell a quick story about how audio is consumed. My son is about 2 and has a beat box in his room. It has 3 or 4 buttons and plays lullabies. And we have a Google Nest web cam, and saw on video and heard him mumbling and saying something unintelligible. Turns out he's been watching us with Alexa, and my two year old said to his toy "Alexa, Play Old MacDonald Had a Farm." And then he was upset when it didn't listen to him! (Everyone laughs.)
Alexis, what are you seeing in terms of innovations?

Alexis: From our point of view, we are continually coming up with new technologies and ad formats and working with great partners like you that will eventually use them as they come to market. One of the areas that we have invested in a lot lately is interactive ads. When you look at the evolution of marketing, 30 years ago it was uni-directional, and one to many. One message for absolutely everyone. Then it became more and more one to one, with more targeting and more sophisticated technologies and targeting abilities and intelligence. Now, more recently, it has become not only one to one, but also bi-directional. So basically, you can have a conversation. Facebook has been good here. What will be coming here is being able to really engage the user and enabling them to interact. Historically this has been pretty clumsy, with display ads and other medium outside of audio. But naturally, as human beings, our voices are the best way to interact. Speaking is our natural communication medium. So, with smart speakers and the technologies emerging these days, we can do 1:1 marketing now and have real conversations where you start talking to the ads and actually engage with them in that way. You are now seeing ads that are purely interactive, where the ad talks to the listener and then waits, and can actually have back and forth interactions.

For example, we had one ad with a snack bar company, where the ad said "Hey, it's almost lunchtime, are you hungry?" And then they began talking about the snack bar, and asks the listener if they are interested, and then asks the listener what type they wanted, and started an actual dialogue about it. Then, if the listener is interested, they can be directed directly to Amazon to place the order for that snack bar. Another was an airline company with an ad about flights to Hawaii. If you book a flight there, then the ad notices this, and asks if you are interested in car rental. If you say yes, you can then engage with the ad to get more information and ultimately talk to a human being. In these cases, advertising starts to feel more like an assistant and less like an ad, and is something accretive. That's where we're going. And then we'll all feel better if ads help you not only feel better, but also are more helpful.

Thank you Simon. You guys have been doing so much innovation, and have really been using the technology to deliver experiences that are great for your brands, and are also great for the listeners.