



Focus on adtech

What is adtech?

As trends and needs change over time, so must the means by which businesses promote awareness of their goods and services. Whilst the days of traditional television and radio (and yes, even print media!) advertising are far from over, advertisers are increasingly looking to employ new technologies in the search for an edge over competitors.

Adtech, short for 'advertising technology', is a catch-all term for software which is used by advertisers, publishers and agencies across all elements of the advertising lifecycle, including development, placement and impact analysis. There are many types of adtech, however the overall aims remain the same across various technologies: to increase the efficiency with which advertising activities are carried out.

Programmatic advertising

One particularly prominent example of adtech is 'programmatic advertising'. At its heart, programmatic uses software platforms to match the needs of advertisers (or their agencies) on the buying side with publishers that have advertising space to sell. These transactions are automated and occur in real time. The speed and efficiency of programmatic advertising are seen by advertisers as its main strengths. Additionally advertisers can better target audiences based using metrics such as demographic, geographic area and the type of device on which the ad is being viewed, thus avoiding wasted spending.

Blockchain

The advent of distributed ledger technology (or 'blockchain') is also likely to contribute to advances in adtech (for more information on blockchain in general, see our [page](#)). A blockchain's ability to accurately and immutably record data are seen as two of its key advantages. In an advertising context, advertisers want to know that their adverts have been served on an audience and to be able to analyse its impact to better target future ads. By harnessing blockchain's advantages, publishers can serve these needs more effectively. One particularly ambitious start-up is exploring the use of facial recognition software in conjunction with blockchain to record and analyse audiences within the vicinity of billboards in order to change the advertising content of those billboards accordingly.

Artificial intelligence

Artificial intelligence ('AI') is already in-play in the advertising world, notably within e-commerce, where search terms are used to suggest alternative or complementary products. The role and influence of AI within advertising will inevitably increase. It is not inconceivable that machine learning could be implemented within the 'internet of things', such as voice-connected devices, to enable them to discern its user's preferences from conversations (and even the tone of voiced used within them). The output of this could be the service of adverts, such as when a user compiles their shopping list through the device. However it is important to recognise consequences of such developments, for example from the perspectives of ethics and data protection.

Ad blockers: the rise (and fall?)

Internet advertising, whether by banner, pop-up or some other method, is inescapable. There will no doubt have been times when readers have complained of the intrusiveness (and perhaps eerily relevant content) of an internet ad, but these remain vital tools in an advertiser's inventory. To combat internet advertising, users are turning to ad blocking software which usually takes the form of a browser plug-in. On mobile devices, specialised ad-blocking apps are even available. A report by the Interactive Advertising Bureau in 2016 put ad blocker use as high as 26% on desktop computers and 15% on mobile devices.

There are methods available to ad publishers looking to fight the rise of ad blockers. Publishers including newspaper outlets often display messages informing users of the importance of advertising to the ongoing survival of their websites.

Native advertising

At the design end of the innovative advertising spectrum, native advertising techniques continue to find favour, principally with social media platforms. In native advertising, an advertisement matches the form and fits in neatly with the layout of other content on a webpage. This results in a more 'natural' information flow to users and is less likely to be seen as intrusive or boring when compared to other advertising methods. Provided that its content is still readily identifiable as an advertisement, native advertising methods are unlikely to fall foul of the Committee of Advertising Practice's rules on the recognition of marketing activities.

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