

# Publishers Worry Programmatic Is Hurting Ad Prices

Article

**P**rogrammatic advertising gives publishers reasons to be concerned. Issues such as tech taxes, data leakage, nontransparent business practices and page latency have continually roused frustration. However, according to a study by [Digiday Research](#), the programmatic issue worrying publishers the most is that automated buying will hurt their ad prices.

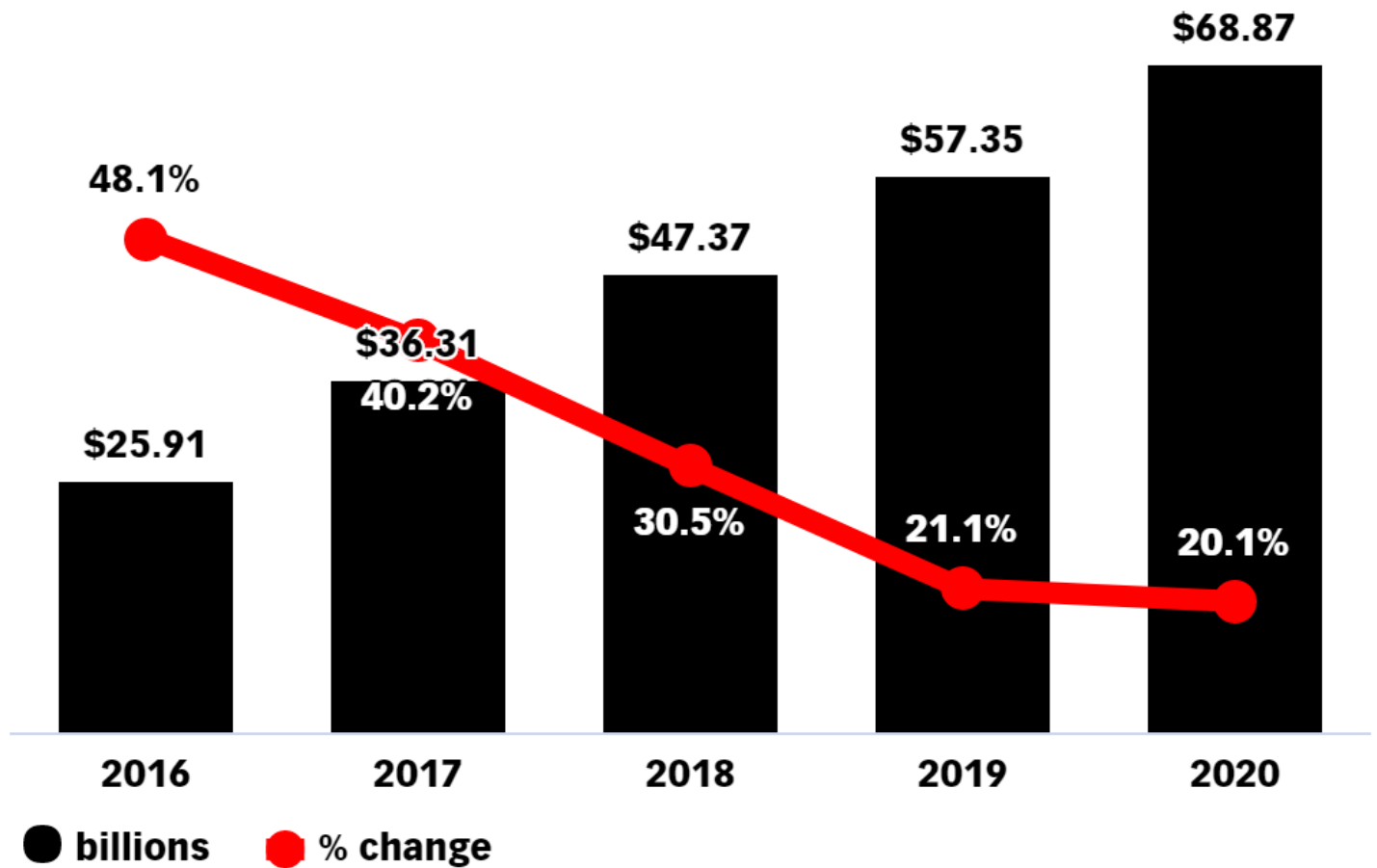
In the November 2018 survey of 185 US publishing executives, three in 10 respondents said downward pressure on ad pricing was their biggest concern, which was the most popular response in the poll. A lack of transparency and latency problems tied for No. 2, as 14% of respondents reported that these issues were their biggest concern with programmatic.

For years, programmatic advertising has been labeled as a “**race to the bottom**,” where advertisers bid low and gobble up remnant inventory. Publishers adapted by creating guardrails that protect their higher-quality inventory. For instance, many publishers have turned to programmatic-guaranteed deals that allow the buyer and seller to agree on prices and inventory amounts before transacting.

Corralling programmatic ad buying is increasingly important for publishers as ad buying automates. More than 80% of digital display ads are **being bought programmatically** this year.

# Programmatic Digital Display Ad Spending

US, 2016-2020



Source: eMarketer, October 2018

[www.eMarketer.com](http://www.eMarketer.com)

eMarketer forecasts that programmatic digital display ad spending in the US will grow from \$47.37 billion in 2018 to \$68.87 billion in 2020. Digiday's research shows that despite the maturity of programmatic advertising, publishers' old fears about automation persist.