

What Marketers Prioritize When Choosing DSPs

Reach and targeting drive programmatic platform sales

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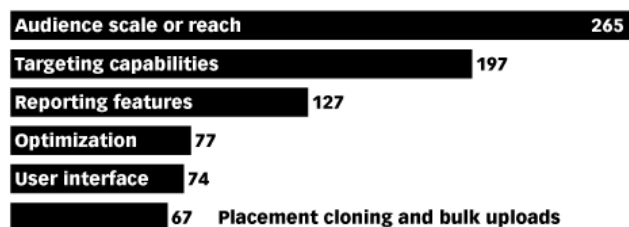
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Even though [programmatic ad spend is increasing](#), marketers are becoming more cautious about how they use demand-side platforms (DSPs) to purchase inventory programmatically. This makes it difficult for small and fledgling DSPs to win new business.

DSPs promote all sorts of features in their sales pitches, but the one that is most likely to hook marketers is audience scale, according to [Advertiser Perceptions](#). Its January survey of 395 US marketers found that reach outweighed other DSP capabilities like targeting and reporting when ad buyers were looking to sign deals with new platforms.

Key Criteria for Purchasing Demand-Side Platform (DSP) Services According to US Agency and Marketing Professionals, Jan 2018

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Note: among respondents who are considering using DSPs in the coming year; *where 100=average

Source: Advertiser Perceptions, "2018 DSP Report Executive Summary," July 9, 2018

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Marketers apply a similar approach when they shop for data management platforms (DMPs). According to Advertiser Perceptions, ad inventory discovery is the top criterion that **drives DMP selection**.

The way DSPs market themselves is critical if they wish to stay in business. Recently, several DSPs have been **purchased for pennies** on the dollar, **gone bankrupt**, **stopped purchasing inventory** or **consolidated with competitors**. Over the past two years, advertisers **cut the number of DSPs they use** per month by 40%, according to Pathmatics.

But a few large DSPs are doing fine. The Trade Desk's stock keeps rising and **MediaMath just raised \$225 million** from a private equity firm. Their successes support Advertiser Perception's finding that ad buyers gravitate toward DSPs that have scale.