



EXECUTIVE OVERVIEW

MARKET  
MAP

# Advertising Technology Market Map 2017

DEC 2017

**Scott Denne, Analyst**

Advertising technology has long been a solution looking for a problem. Now the problem itself is emerging, and the tools and technology vendors that serve advertisers are finally embarking on a journey to reshape a cornerstone of the US economy with software and data.



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### NEW YORK

1411 Broadway  
Suite 3200  
New York, NY 10018  
P 212-505-3030  
F 212-505-2630

### SAN FRANCISCO

140 Geary Street  
9th Floor  
San Francisco, CA 94108  
P 415-989-1555  
F 415-989-1558

### LONDON

Paxton House  
Ground floor  
30 Artillery Lane  
London, E1 7LS, UK  
P +44 (0) 207.426.1050  
F +44 (0) 207.657.4510

### BOSTON

75-101 Federal Street  
5th Floor  
Boston, MA 02110  
P 617-598-7200  
F 617-428-7537



## ABOUT THE AUTHOR

### SCOTT DENNE

#### ANALYST

Scott Denne is an Analyst with 451 Research, where he helps direct the firm's coverage of technology mergers and acquisitions. He also contributes to 451 Research's Customer Experience & Commerce Channel with coverage of the advertising technology industry.

# Key Findings

The advertising market will become driven by software and data. The newest generation of marketers have grown up on digital. As they spread their expertise into other channels, they will expect the same level of accountability and measurement that they find in digital advertising tactics, such as paid search and retargeting.

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The nascent market for connected TV ads promises many adtech vendors an onramp to television, the largest of all ad markets and one where no single tech vendor dominates the landscape. There's been a steady rise in consumers who subscribe to multiple streaming services and a corresponding decline in traditional TV subscriptions.

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We're already witnessing advertisers make the move to more sophisticated, granular data offerings at the expense of legacy data and methodologies for identifying audiences and measuring the success of campaigns.

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# Executive Summary

## INTRODUCTION

For most of the last decade, advertising technology has been a solution looking for a problem. The promise of this market was that advertising could be delivered digitally, in the form of display ads, more efficiently than in other mediums. However, the audiences weren't there, and those that were showed little affinity toward display ads. Now the problem itself is emerging, and the tools and technology vendors that serve advertisers are embarking on a journey to reshape a cornerstone of the US economy with software and data.

As print gave way to websites, advertisers faced a modest transition in moving budgets from newspapers and magazines and into search and display ads. Now, thanks to the invention of the smartphone and the growth of video streaming services, over-the-top (OTT) TV apps, and connected TVs, consumers are making a hearty shift in their media consumption habits. Advertisers seeking to reach consumers in those new mediums face a constellation of choices. Never before has a comprehensive understanding of the potential and impact of advertising been so close at hand. Never before have advertisers needed to contend with such a complex and varied data landscape to approach that understanding.

This is the overarching problem that adtech vendors seek to solve. Advertisers need data and software to make sense of audiences, the context for their ads, and how all of it weaves together across multiple channels, both online and off. In this report we look at vendors that solve at least one facet of the challenge through a software offering or a set of data, and in some cases through a combination of both. We have divided this challenge into six segments that we believe will emerge as the core capabilities of an advertising software and data stack:

- Identity resolution
- Audience measurement
- Contextual measurement
- Audience data management
- Media buying platforms
- Advertising analytics

## METHODOLOGY

451 Research Market Maps™ are designed to provide a view of the vendor landscape by major segment. The map highlights companies competing in multiple segments by connecting them through a circuit line. Identification and placement of companies into these segments is based on analysis, both published and unpublished, performed by 451 Research. This analysis includes interviews, reports and advisory work with several thousand enterprises, vendors, service providers and investors annually. 451 Research Market Maps™ are not intended to represent a comprehensive list of every vendor operating in this market. Inclusion on 451 Research Market Maps™ does not imply that a given vendor will be specifically featured in one or more 451 Research reports.

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