



**ExchangeWire**  
The business of media, marketing and commerce

# APAC INDUSTRY REVIEW 2022

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FOREWORD

## Investment and optimising rising



**CIARAN O'KANE**  
President and CSO,  
WireCorp

**Though coronavirus restrictions have broadly eased globally, the programmatic advertising industry remains under stress. Market uncertainty due to sharply increasing energy prices, in part driven by the effect of carbon emissions upon the climate, is currently coupled with the rollout of “Do Not Track” and deprecation of IDFA within the Apple ecosystem, while similar plans to nix the third-party cookie and Android Advertiser ID (AAID) across the Google ecosystem continue to fuel concern.**

The Asia-Pacific (APAC) region continues to prove an ideal testbed for how these factors are impacting the digital advertising industry, with its multivariate range of markets in terms of scale, digital adoption, and

economic maturation.

In our review of the APAC media, marketing, and commerce industries, we examine five key pillars as outlined by ExchangeWire CSO and president Ciaran O'Kane earlier in 2022, alongside leading industry thought leaders. Specifically:

- Retail Media;
- Data-Driven TV;
- Gaming;
- Walled Gardens;
- Service layer

Despite continued global headwinds, recently published research from ExchangeWire demonstrates that investment and optimism in programmatic advertising across the APAC region continues to rise, with buyer confidence surging as they nurture the growth of their first-party data assets, following the rapid drive towards digital transformation observed last year throughout Covid.

In helping to sustain this growth in the post-cookie era, technology partners

continue to fulfil a critical role, with operators across all sides of the programmatic supply chain being turned to for support. As detailed, global big tech platforms are set to thrive in this first-party era, but does this mean the end of the open internet and independent ad tech within APAC? No. This is the industry's golden opportunity to reimagine how to measure and target, from a privacy-first, consumer-centric position.

# \$250BN

**Expected ad spend across APAC in 2022**



**AS DETAILED, GLOBAL BIG TECH PLATFORMS ARE SET TO THRIVE IN THIS FIRST-PARTY ERA, BUT DOES THIS MEAN THE END OF THE OPEN INTERNET AND INDEPENDENT AD TECH WITHIN APAC? NO.**

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## CLIENTS & CONTRIBUTORS

**UNRULY**

**/LiveRamp**

**PubMatic**

**APPLOVIN**



PILLAR ONE

## DATA-DRIVEN TV

- ✓ **Outside the US there will be realisation that CTV will play a part in the overall TV market**
- ✓ **CTV will be part of data-driven TV, as the industry looks to make fragmented TV inventory addressable**
- ✓ **Measurement again because critical to success outside the US**
- ✓ **Targeting**
- ✓ **Clean rooms will play a key role in audience targeting and measurement**



DATA-DRIVEN TV

## The Power of Data-Driven TV

Universally, connected TV (CTV) and over-the-top streaming services (OTT) are gaining momentum – in some cases even overtaking broadcast TV. Per eMarketer and IAB SEA + India, southeast Asia is no exception to this trend, with 20 million viewers in India and 25 million in Vietnam decidedly watching YouTube from their CTVs (instead of their laptops or mobile devices).

Further, young millennials and Gen-Z, aged 16-34 seem to be leading this shift regionally, making up nearly half of all OTT viewers in APAC. Moreover, 23% of 16- to 34-year-olds in SEA are “heavy OTT users,” meaning they consume at least four hours of OTT content daily. Considering their fast-increasing spending power and penchant for video content this segment is not one to be ignored.

With this influx of growth comes an influx of opportunity for today’s brands and marketers. In fact, over the course of the last three years, ad spend across CTV in the Asia-Pacific region has increased by more than 90% (according to Pivalate) – a figure that’s only expected to increase.

In the coming years, it’s predicted that APAC will see the fastest growth in CTV spend of any region across the globe, with spend on online videos in SEA specifically expected to hit \$4.5 billion (USD) by 2025 (per Omdia).

So, how can those on both the buy- and sell-sides of the industry make the most of this booming growth?

**UNRULY**



**VINCENT PANG**  
Sales Director, Unruly



**23% OF 16- TO 34-YEAR-OLDS IN SEA ARE “HEAVY OTT USERS,” MEANING THEY CONSUME AT LEAST FOUR HOURS OF OTT CONTENT DAILY.**

### HARNESS THE POWER OF DATA-DRIVEN TV

First and foremost, it’s important to understand the definition and impact of data-driven TV. For reference, in traditional linear TV environments, households viewing the same show on broadcast or cable television will all see the same ads. With data-driven TV, however, although households watching the same TV show will see the same ads, advertising is placed in TV shows based on viewership propensity concentrated towards specific advanced consumer data sets.

In essence, it uses more advanced data types than simply demo-based delivery, allowing advertisers to activate audiences with greater precision than ever before. Data-driven TV aims to blend the best of both traditional, linear TV and programmatic advertising – marrying contextual targeting with personalisation and newfound scale.

In order to properly take advantage of data-driven TV, simplicity is key. Start by tapping into the insights which you already have access to (e.g. first-party

data) and then measure your current campaign’s performance against traditional demographic buying-based models. By starting with existing data, brands can unearth which audiences have responded well to certain ads and made purchases etc making it a powerful feedback loop for constructing a strategy.

Further, consider the ways to aggregate and pool existing data. Our parent company, Tremor International, crafted a solution that does exactly this called TV Intelligence – designed to approach cross-screen TV retargeting and measurement a bit differently than other industry players. It pulls and collects data from disparate sources (including ACR data, set-top box data, individual-level viewership insights, and more), giving advertisers one single access point for holistically applied, cross-referenced data.

### EMPLOY DATA-FOCUSED STRATEGIES

There are so many data-focused strategies brands can employ, but three leaders in this space are



first-party data, automatic content recognition (or ACR) data, and contextual targeting.

Before diving into what this all means, it’s important to note that CTV – unlike display or mobile advertising – doesn’t require IDFA’s or third-party cookies at all. In an increasingly cookie-less world, it’s becoming a more powerful medium for brands to reach consumers (while maintaining their privacy and trust).

Again, first-party data (think: retail sales, past campaign success) is a powerful tool – particularly when it comes to CTV advertising. Brands should consider the insights and information to which they already have access, then layer additional data strategies and targeting techniques on top of that.

Additionally, if marketers are planning to utilise both linear and digital video in a given campaign, there are ways to inform CTV / OTT strategies using ACR data. Specifically, ACR data is a kind of technology built into advanced TVs used to identify content played on a given device. (As Digiday describes

it, the technology is virtually “playing a high-tech game of pattern matching.”) If you’re aiming to retarget viewers who have already been exposed to your campaign or message, striving to manage frequency and reach, or just aiming to integrate more accurate, expansive data sets into your strategy, ACR is one of the most effective ways to connect with viewers and consumers across devices.

Finally, contextual targeting is another brilliant way to ensure your ad is reaching relevant audiences, in CTV and OTT. With contextual, you can target users based on their general interests and demographics in relevant environments, reaching true-crime fans via murder mysteries or amateur chefs via cooking shows.

### FIND PARTNERS WHO CAN CRAFT DATA-DRIVEN CREATIVE

Given individuals’ propensity for consuming video content, it makes sense for brands to tailor their advertising strategy to this medium – delivering dynamic, data-driven, video-first adverts that capture viewers’ attention. As such,

teaming up with advertising platforms and partners who can deliver this type of content is a no-brainer (such as Unruly’s in-house creative studio, Tr.ly).

Utilising an extensive set of consumer data and insights driven by machine learning (think: audience segments, geo-location, time of day, etc.), Tr.ly is able to deliver thousands of variations of any given piece of content, each personalised for a specific, nuanced audience. Services range from strategic planning and design to rendering, serving, campaign tracking, and even QR codes, allowing brands to work through the majority of the campaign process with just one vendor and quickly measure response rates.

Now, none of this is to say that there aren’t challenges at play. As data continues to redefine what, exactly, is possible, industry-wide scalability and viewer-specific attribution are two concerns at play. That said, with so many avenues to explore in the data-driven TV space – and so many consumers across APAC looking to video – now’s the time to push the limits of what’s possible in data-driven TV ■



PILLAR TWO

## WALLED GARDENS

- ✓ **Like it or not, we are in a walled garden world**
- ✓ **Buyers need to think about both measurement and targeting (how do you stitch this fractured world together together)**
- ✓ **From a buy-side perspective, optimisation across walled-gardens**
- ✓ **How can pubs leverage their own data assets to compete**





## WALLED GARDENS

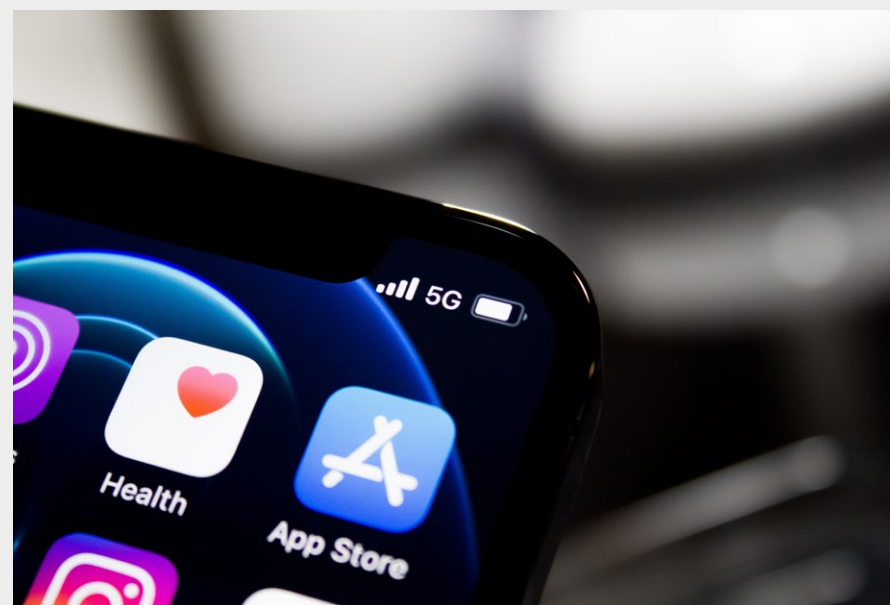
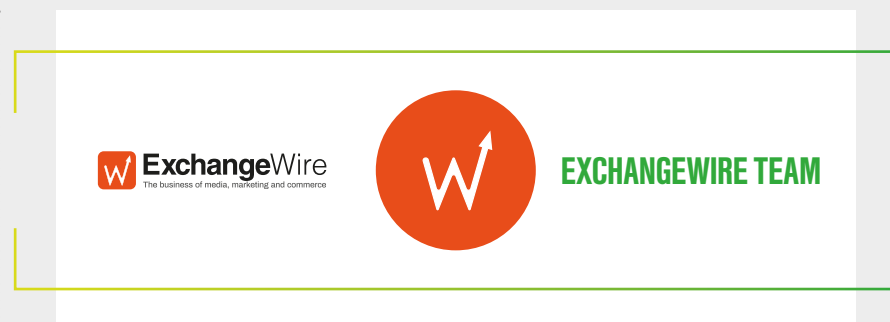
# A chance for reimagination

The coronavirus pandemic led to a dramatic consolidation across media and gaming environments, and this, coupled with the shift in priority towards first-party data assets, has led to a few more layers being added in the walls of the walled gardens within APAC over the course of 2020-2021. Media is now a series of walled gardens. Simple tasks like frequency capping and basic optimisation will become more difficult in APAC, therefore we need to re-imagine how we do marketing in the privacy-first era.

This reimagination of the industry should be seen as a significant opportunity by ad tech players within the APAC region. The rush towards digital transformation seen throughout covid has led to brands and publishers alike becoming more confident with tech implementation, and an eagerness to activate their data to its full potential. Data enrichment and leveraging signals outside of basic identifiers, such as weather, seasonality, competitor activity, and location, will prove critical in getting the most out of advertising across disparate walled gardens.

While the move to privacy-first advertising will inevitably lead to the formation of so-called “mini” walled gardens, as publishers and retailers (rightfully) move to protect their first-party data assets, not only does this benefit the consumer but will also drive closer relationships across the entire advertising chain.

Moreover, the incumbent walled

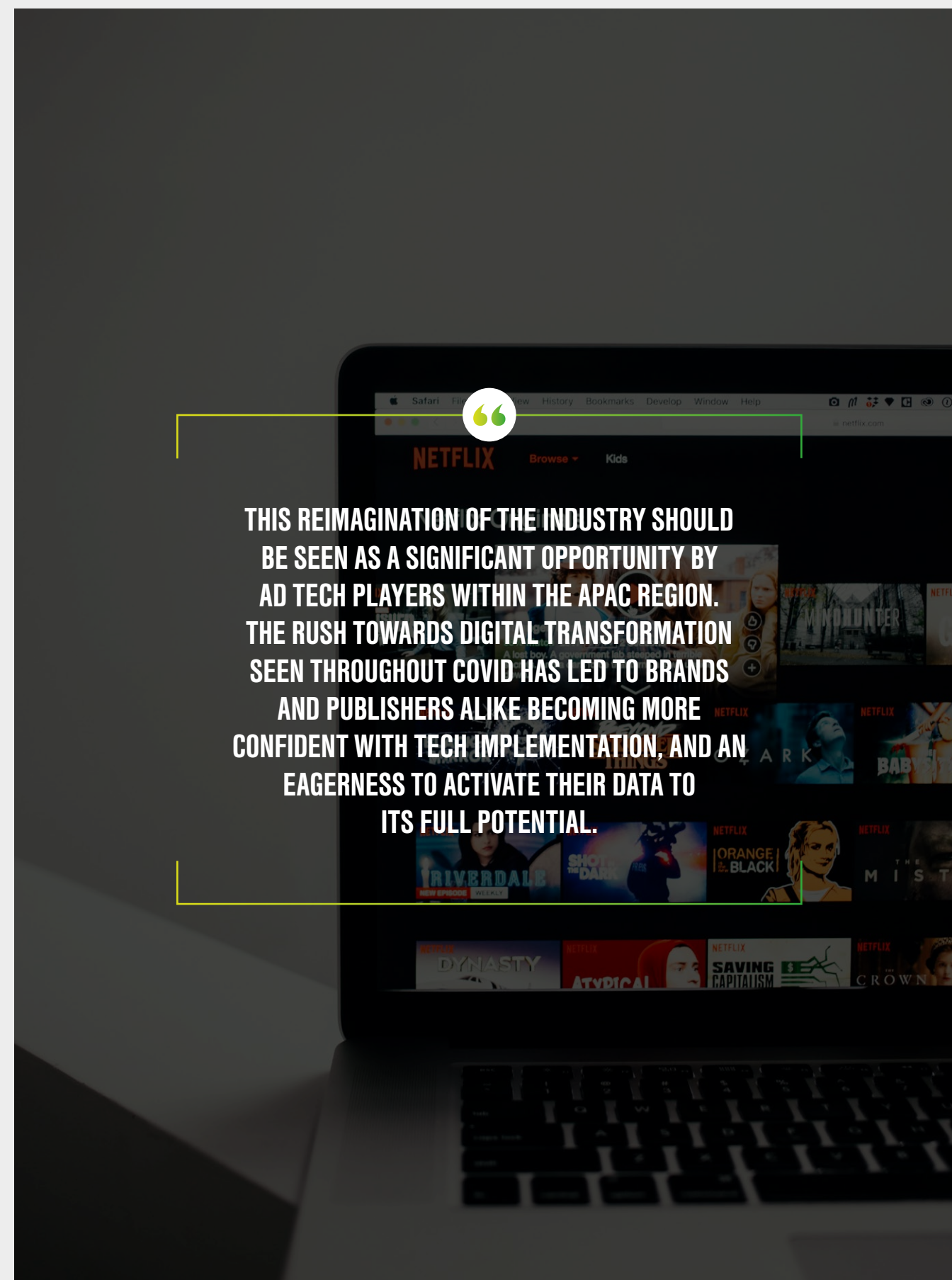


gardens may also have to open up to some extent. Governments and communications watchdogs within APAC, for example the Korea Communications Commission, have begun to examine the practices of Apple and Google on their respective app stores, forcing them to open up to third-party payment providers which is likely to further fuel the vibrant commerce environment in the region. It has also been speculated that Google parent Alphabet is considering opening up YouTube inventory to third-party technology firms, which, alongside Netflix's upcoming ad-supported tier, could lead to further budget reallocation towards online video.

While some might bemoan the proliferation of the walled gardens, there will be huge upside for the service and tech layer across APAC — as buyers look to vendors for execution, optimisation and measurement capabilities ■

# 82%

**Estimated percentage of digital ad revenue to be taken by walled gardens by 2026**



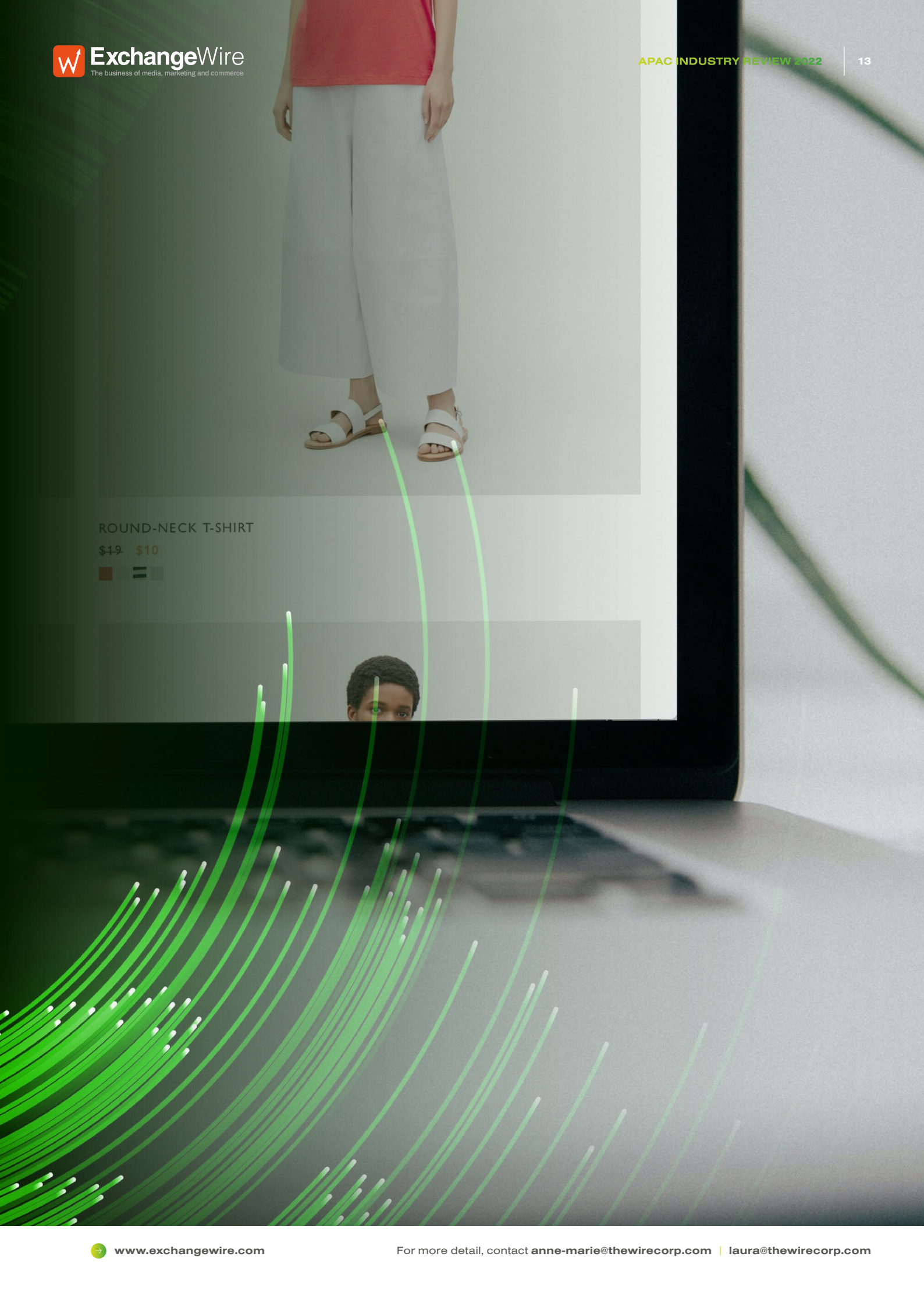
**THIS REIMAGINATION OF THE INDUSTRY SHOULD BE SEEN AS A SIGNIFICANT OPPORTUNITY BY AD TECH PLAYERS WITHIN THE APAC REGION. THE RUSH TOWARDS DIGITAL TRANSFORMATION SEEN THROUGHOUT COVID HAS LED TO BRANDS AND PUBLISHERS ALIKE BECOMING MORE CONFIDENT WITH TECH IMPLEMENTATION, AND AN EAGERNESS TO ACTIVATE THEIR DATA TO ITS FULL POTENTIAL.**



PILLAR THREE

## RETAIL MEDIA

- ✓ **Big budgets are heading to retail media**
- ✓ **Huge aggregation opportunity (SSPs)**
- ✓ **Huge ad infrastructure opportunity**
- ✓ **Measurement: layering in sales data, channel management will be crucial for attribution**
- ✓ **Clean rooms again will play an important role**
- ✓ **Buy-side players like DSPs could re-invent themselves in this new channel**
- ✓ **Creative ad tech and custom ad units will get good traction**





## RETAIL MEDIA

# Can Retail Media Networks Learn from The Mobile Gaming Playbook?

Retail media combines the exciting areas of commerce (direct-to-consumer digital and physical in-store), digital advertising, and audience addressability. eMarketer forecasts that retail media networks in the US alone will grow to over USD\$52bn (£45.2bn) in ad sales by 2023. These networks must find the right platform that helps build an incremental advertising business. In examining the opportunity and path to success for retailers, it appears, interestingly, like another approach: the mobile game publisher growth platform.

## GETTING TO KNOW THE GROWTH PLATFORM

Sometimes referred to as the growth loop or engine, the growth platform is a software-driven approach that in-app publishers commonly leverage to generate consistent value. The cyclical process has three core phases: monetization, optimization and acquisition. In-app gaming has perfected these three phases and sets a blueprint for how retail media networks can drive success.

## MONETIZATION

The name of the game is profitable diversification. App publishers have learned not to focus on a single revenue metric like CPM, nor what type of revenue they are driving (advertising or consumer), but rather on finding the right mix to drive up the lifetime value

(LTV) of a consumer. Such revenue can come from ads within the game or consumer spending, primarily through in-app purchases (e.g. coins, skins, level-ups). Gaming publishers succeed by continuously examining the data on player experience as well as implementing the proper advertising placements and formats.

For example, once players have gotten through a few levels, a game like King's Candy Crush will deliver strategically placed rewarded or interstitial advertising. In addition, they will also consistently offer in-app purchases in their "Shop" area, for players to get boosters and advance levels.

Retail media networks can take a similar approach to gaming, determining whether to deliver advertising or push more consumer revenue, through digital or physical goods. Advertising can serve as an incremental profit contributor, as it will deliver more revenue at a higher gross margin compared to (re) selling consumer goods. Impactful monetisation means retailers are effectively capitalising on their site and app visitors with optimisation tools and unique demand.

## OPTIMISATION

Optimisation is arguably the most essential element of the growth platform, as it analyses all monetisation information to inform and better serve future decisions. From Apple's Identifier for Advertisers (IDFA) to third-party cookies, the recent privacy and addressability changes make getting these insights more challenging to gather and critical to success.

Mobile gaming companies do an incredible job examining and activating on the closed-loop reporting they access. While privacy changes have limited their view, notably around identifying the exact person or which ad campaign that individual came from, mobile game publishers can leverage all this information to develop a clearer picture of their players.

Games like Scopely's Walking Dead leverage a range of data sources via API to aggregate and curate multiple analytics views. They look at multiple user cohorts to determine the LTV over different time periods, examining their monetisation and retention behaviours. This detailed analysis is crucial for a

 **PubMatic**



**PAULINA KLIMENKO**  
Chief Growth Officer,  
PubMatic



**RETAIL MEDIA NETWORKS IN THE US ALONE WILL GROW TO OVER USD\$52BN (£45.2BN) IN AD SALES BY 2023.**



core genre game that has a long player lifecycle.

Retail media networks can follow these examples, securely leveraging the incredibly valuable customer sales data to inform future decision-making. At PubMatic, we saw campaigns that leveraged these retail-driven optimisations deliver as much as a 36% reduction in cost-per-acquisition (CPA) and 10% efficiency in eCPM. Retailers can also tailor all optimisations to their specific goals, move beyond just pricing data and improve acquisition and business outcomes.

## ACQUISITION

The last but critical part of the growth platform is acquisition, which not only kicks off the flywheel effect but also has been fundamentally disrupted due to the advertising industry's latest privacy changes.

Mobile publishers, especially gaming ones, are surgical when it comes to user acquisition. Before Apple's app tracking transparency (ATT) implementation and the IDFA limitations, publishers leveraged a myriad of outlets, notably Facebook

and Google, to drive users to their games. Currently, only 40-50% of users are opting in to provide their IDFA to games. Gaming apps continue to invest heavily in acquisition; yet, they have had to alter their approach. As analyst and author Eric Suefert notes, gaming publishers transitioned from an intensive focus on segmentation in their acquisition efforts to increased customization within the app experience they control. They acquire mass groups of users (often at lower prices than highly targeted segments) and then can bucket them in ways like pre-privacy times based on the type of game those players engage with.

Retail media networks can model some approaches of mobile gaming publishers; however, they have options: enable their suppliers to execute acquisition that utilizes the retailer's data assets or execute the acquisition themselves. First, retailers can monetise their users on the open internet by allowing vendors to execute audience extension deals against those users. Retailers can also choose to execute their own acquisition campaigns, like mobile gaming publishers, by applying a data-driven, targeted and strategic approach to fuel

their growth platform. Because this is all retailer first-party data, retail media networks (and their suppliers doing acquisition) can circumvent the third-party data deprecation resulting from all the industry privacy changes.

## TAKING THE NEXT STEP

The opportunity in retail media is and will continue to be substantial. Through a strong growth platform, retailers can exponentially accelerate their businesses despite the targeting and measurement uncertainty the larger ad industry faces. This all may seem daunting to take on, especially if retailers have their current, core jobs to focus on. An experienced, unbiased partner is a great resource to help make sense of the ecosystem as well as recommend technologies that can support the business goals. It is important that those partners provide solutions that are retailer-specific, purpose-built for them as well as can aid in providing verified and quality measurement. Finding the right partner can make it an easy onramp to a successful growth platform, which will generate success in the short and long term ■





RETAIL MEDIA

## Expanding the sphere of influence

With the rise of media networks, retailers are expanding their sphere of influence, diversifying their revenue streams, and transforming their ability to reach new and valuable audiences. According to a recent eMarketer report, after almost 50% growth in e-commerce channel ad spending during 2020, advertisers will increase those allocations by another 27.8% this year. One in eight digital ad dollars will go to advertising on digital properties. Further, Boston Consulting Group has stated in a recent report that, “big retailers are already racing toward a USD\$100bn (£87bn) high-margin annual revenue prize in retail media.

A major contributing factor is that consumers have high expectations for brand engagement, but many advertisers, such as brands and suppliers, lack sufficient first-party data connections to deeply understand customers and meet their needs. As a starting point to a media network, retailers may consider all the ways their customers might interact with their business, like point-of-sale, website, customer service, billing, brick-and-mortar stores, etc. Once all first-party data sources have been identified, every retailer needs a strong identity strategy to connect all the touchpoints and create a media network that is more robust than competitors.

A strong data strategy is an organisation's competitive advantage.

**FREDERIC JOUVE**  
Managing Director, APAC  
LiveRamp

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**THE CAPABILITIES LIVERAMP IS BRINGING WITH IDENTITY RESOLUTION, AS WELL AS THE QUALITY AND VISION OF THEIR LEADERSHIP, MAKES THEM A GLOBAL TECHNOLOGY LEADER. WE WANTED TO MOVE VERY FAST INTO DATA VALORISATION AND WORKING WITH A GLOBAL LEADER WAS IMPORTANT.**

**MIGUEL ÁNGEL GONZÁLEZ GISBERT**  
GLOBAL CTO, CARREFOUR

However, as part of the data strategy, retailers need to have control over their customer identity. An accurate and cohesive identity layer when applied across fragmented data sources creates a powerful differentiator. Distilling multiple touchpoints to a singular view of a consumer creates a strong foundation to allow for collaborating with advertisers, executing campaigns on a retail media network, and measuring accurate customer insights.

Retailers who are evaluating solutions to build and maintain their own customer identity typically take into consideration these three fundamental components:

- Record creation. Leverage interoperable solutions that complement existing technology investments and enable first-party identity as the base of the

data foundation. First-party data resolution enables the creation of retailer-owned customer views.

- Record enrichment. Leverage collaborative second-party data and best-in-class third-party attributes to enhance customer views and solidify customer intelligence. To maximize the enrichment, retailers will need a flexible, privacy-conscious technology to configure their graph and enhance it with second- and third-party insights.
- Translation. Leverage a strong identity framework, which is like “Rosetta Stone” for a retailer’s data, seamlessly translating from multiple identities into one cohesive “language”. The goal is a consistent integration across an organisation, a technology stack, multiple data sources, and any number of marketing activation



and measurement partners. Translation should be fast, secure, and interoperable across all channels where the customer is engaged.

Once retailers have a solid identity strategy in place, they can increasingly benefit and differentiate their media network by making it a win-win for advertisers in several ways, including:

### RETAINING SHOPPER MARKETING DOLLARS

Shopper dollars have historically been spent on end caps or in-store marketing. With the rise of delivery and on-demand services, those methods become less valuable and effective. Retailers can maintain and grow shopper dollars by allocating spend to their online placements. Even better, by utilising first-party data, both retailers and advertisers benefit from delivering more accurate and relevant marketing to consumers. With a media network, retailers are in a position to take advantage and monetize the shift to digital.

### ENGAGING CONSUMERS WHERE THEY SHOP

Through placements on a retailer’s website and owned and operated properties, brands can reach their buyers in a digital context. Not only does on-site advertising drive new site traffic, but retailers and brands can also reach existing customers at the most opportune time—while they are shopping. Taking it a step further, by leveraging offsite audience extension, retailers can help brands seamlessly find and engage with new customers across the web, ultimately providing more brand-customer touchpoints and conversions.

### DRIVING PRODUCT DEVELOPMENT

By leveraging a data-driven and identity-based strategy, retailers and their brand partners achieve more robust customer intelligence and better understand changing consumer needs. More than ever, today’s consumers expect personalised products that serve their interests. Ultimately, retailers and brands are able to meet shopper preferences with better-

informed research and development. Trail-blazing partnerships will be able to iterate quickly and reach interested markets with innovative offerings and products.

### DEEPENING ADVERTISER RELATIONSHIPS

Retailers can surface unparalleled consumer insights to increase sales and grow brand relationships. Transactional data is a virtual goldmine when properly leveraged. For example, brands can leverage closed-loop measurement to improve persona profile definition, audience targeting, and campaign optimisation.

Retailers have a variety of new tools at their disposal to improve profitability and achieve customer engagement that drives higher rates of loyalty and overall spend. With a focus on building an identity framework and technical infrastructure that provides more control over the customer experience and better visibility into their actions and trends, retailers will develop a greater competitive advantage ■



PILLAR FOUR

## GAMING-AS-THE-ULTIMATE-MEDIA-CHANNEL

- ✓ **Gaming is having its day. It is now a bigger media channel than film. And is over-indexed with audiences brands need**
- ✓ **Gaming walled-gardens are the new go to, a combination of content, platform and ad tech**
- ✓ **With advertising, there is an exciting area for in-game advertising**
- ✓ **But measurement is still an issue (attention could be the killer measurement area)**
- ✓ **Everyone is getting into gaming. Netflix is next with streaming offerings.**





GAMING

## Level up: the potential of mobile gaming

Mobile games have become one of the most popular forms of entertainment in the world. In 2021 alone, between nearly 4 billion mobile users worldwide, more than 80 billion mobile games were downloaded. That means an average of 20 gaming apps were installed on their phones, phablets, and tablets. (Udonis).

What may surprise you, then, is how mobile games are only recently getting the credit they deserve as uniquely powerful, desirable media channels. When you consider the amount of people carrying mobile devices, and the number of games they've installed, you'd assume that brands would have made mobile — a channel where players spent USD\$116bn (£101bn) in 2021, more than the film (USD\$21.3bn/£18.5bn) and music (USD\$28.8bn/£25.1bn) industry in the same time period combined — a tentpole for digital UA and general marketing efforts a while ago. Well, some brands and businesses did jump on that train earlier than others, but mobile advertising was a much different space back then.

Let's dive into some history of the internet as an advertising space, innovations within mobile that led to its exponential growth as a consumer touchpoint, and how mobile games have resultantly become not only a viable media channel for businesses, but a crucial one.

### WHAT WORKED, AND WHAT NEEDED WORK

A few years ago, video advertising was king. In fact, in the eyes of a lot of advertisers, it still is. This is because



**GENELLE HUNG**  
Head of Demand APAC,  
AppLovin



**IN 2021 ALONE, BETWEEN NEARLY 4 BILLION MOBILE USERS WORLDWIDE, MORE THAN 80 BILLION MOBILE GAMES WERE DOWNLOADED.**

digital video is looked at as an obvious way to extend holistic media marketing efforts from TV outward. The world's biggest brands (P&G, Unilever, etc.) were extending into online video because the advent and rising popularity of internet video platforms made it a no-brainer. Now, those same 30-60 second television ads broadcasting to traditional audiences were additionally reaching millions of YouTube viewers.

But around a decade ago, online advertising was not vividly trackable and measurable. Getting a bead on the visibility and trajectory of ads was difficult, and most brands were relying on the results — rather than live data — to tell them whether or not an ad campaign was working.

This all started to change with the explosive growth of mobile connectivity.

### RISE OF THE MACHINES (SANS SKYNET)

An exponentially growing swath of people around the world were now carrying what amounts to dynamic billboards in the palms of their hands.

With that shift came the influx of video ad space to mobile games, because they were also gaining global traction. Games quickly became the most plentiful source of mobile video ad inventory, and brands were ready to give them a shot.

There was just one problem: the negative perception of gaming.

The reach was obviously there, but how could brands know they were engaging and scaling the right audience? Furthermore, advertisers couldn't tell if their ads were viewable because of the state of in-app measurability, which further called IAA and mobile games in general into question.

Well, once demand-side platforms (DSPs) and vendors started popping up offering a variety of digital solutions alongside mobile web having become widely used by brands like CNN, BBC, and Bloomberg, mobile in-app and mobile web became intermingled. Now there were a bunch of big names on a platform whose ever-increasing targeting and transparency capabilities were unmatched, and the ability to produce really cool creatives came with it too.



### A NEW UNDERSTANDING OF MOBILE GAMES AS AN ADVERTISING CHANNEL

Especially during the pre-pandemic and pandemic days, the benefits to mobile IAA — particularly in games — became obvious. This is where people went to escape the news of financial turmoil, lockdowns, and tragedy; brand-safe environments that people were all too happy to gather. Importantly, these were also very diverse environments. It became known that women in general out-game men on mobile overall, a revelation for a lot of brand marketers.

Take a game like Wordscapes, a word puzzle developed by PeopleFun. It became the number 1 most popular word game in the world. Their audience? 70% women, with the majority of their total audience falling between 45 and 75 years old.

With these trackable, provable values representing audience diversity, mobile games finally became a legitimate focus for brands.

### FROM GATHERING PLACES TO GAMING SPACES

Another challenge was a matter of business hierarchy: the people playing and knowledgeable about mobile gaming were younger and saw the value in games as a media channel. But decision-makers above them were all too happy to stick to proven channels, particularly social. Why games versus Facebook? YouTube? TikTok?

Well, social could be used to bridge the gap.

Social media marketing, in all of its proven glory, creates a contextually perfect funnel into mobile games. After all, if people were starting on FB/TW/IG/TikTok on any given day, they were often taking in more volatile content. Ads for the games themselves on social media cut through that noise with a message of "escape into something fun."

### GAMING AS THE ULTIMATE MEDIA CHANNEL

Mobile games are a diverse hub with an important primary pursuit:

enjoyment. In mobile games, the overall emotional goals are "happy and engaged", and the interactive goal is "rewarded and satisfied." People that are playing consistently show up in metrics as highly engaged and clicking through ad impressions like wildfires. Rewarded video, for instance — which needs to be watched to the end — has proven out to have a high completion rate, which is the holy grail of video buying.

It makes sense, because "happy", "engaged", "rewarded", and "satisfied" are great launching points for people to suddenly see ads. You're capturing that audience member's attention in a snapshot moment of gratification. They are thus more prone to a positive response to an ad, especially if that ad is not immersion-breaking, has real value, and is fun in its own way.

This is why gaming is the ultimate media channel in mobile marketing: not just because of the immense reach and scale of mobile gamers worldwide, but the sheer trackability, diversity of user, and state of a user's mind when they're playing ■



PILLAR FIVE

## THE SERVICE LAYER

- ✓ **The service layer becomes even more important as the media landscape splinters.**
- ✓ **Buying scale no longer matters in a privacy-first world, littered with walled gardens.**
- ✓ **Agency partners will instead be benchmarked on their planning expertise, data management/execution capabilities and ability to piece together disparate technology.**
- ✓ **New service solutions will emerge to plug knowledge gaps around data management, technology selection/implementation and channel expertise (Amazon, TikTok etc). The increased complexity means more specialism is required.**



## SERVICE LAYER

# Balance and flexibility: the evolution of the service layer

The service layer seems to be in a constant state of flux. Buyers are grappling with ever-increasing fragmentation, along with a patchwork of tech solutions designed to replace legacy ways of transacting media. In truth, support is increasingly important. As the media landscape splinters, more knowledge gaps appear, leaving both a wealth of opportunities and a raft of new and increasingly complex expectations.

Agency partners across APAC have the chance to become leaders in these new areas, to lead their clients in a world of new platforms and channels and be the torchbearers in the move away from legacy systems and outdated platforms. As a region known for initiative and forward-thinking, speed is of the essence to maintain this reputation.

This requires balance and flexibility - partners need planning expertise, data management and execution capacities and in-depth knowledge of a variety of platforms and technologies. More fragments means more specialisms, and a necessity to not only understand but lead on new channels and the possibilities they represent.

There's a chance for revival in APAC's extensive slew of ad networks, with increased opportunities and demand for a service layer that can aggregate and optimise open web audiences and emerging channels like retail media. Some will see this as a backward step, but it will be necessary with so many audience blind spots ■

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THE SERVICE LAYER IN APAC NEEDS TO PROVIDE TORCHBEARERS IN THE MOVE AWAY FROM LEGACY SYSTEMS AND OUTDATED PLATFORMS.



## PIVOT TOWARDS HIGHER-VALUE BRAND EXPERIENCES

THERE IS A GENERAL LACK OF URGENCY IN BRANDS FIGURING OUT THEIR FIRST-PARTY DATA STRATEGY. AS A RESULT, THE NEXT 18 MONTHS WILL LIKELY SEE A LOT OF CLUTTER IN PROMOTIONAL / LOWER FUNNEL ACTIVITY, AS BRANDS RUSH TO BUILD OUT THEIR FIRST-PARTY DATA POOLS. FOR THE EARLY MOVERS IN THIS SPACE, WE ARE ADVISING THEM TO PIVOT FROM PURELY LOWER-FUNNEL TACTICS, TO HIGHER VALUE BRAND EXPERIENCES THAT CAN BE DELIVERED ACROSS THE CUSTOMER JOURNEY, AND (VERY IMPORTANTLY) CAN CAPTURE A MORE REPRESENTATIVE CATEGORY AUDIENCE ACROSS MORE NEED STATES.

**RONNIE THOMAS**  
TBWA



## LEADING THE MORAL EVOLUTION

AD TECH HAS BEEN ASKED FOR A MORAL EVOLUTION FROM POLICY MAKERS AND CONSUMERS. THE BIG TREND THAT I SEE IS AD TECH LEADING THE CONVERSATION TOWARDS PURPOSE AND LONGEVITY FOR THE ADVERTISING INDUSTRY. CONSUMER CHOICE IS AT THE FOREFRONT AND WE WILL CONTINUE TO SEE THE FOCUS ON DATA-COMPLIANT TRAFFIC AND LEVERAGING ADDRESSABILITY AT SCALE THROUGH COHORTS RATHER THAN HYPER PERSONALISATION. I WOULD LIKE TO SEE, AND BE PART OF, MORE USE CASES OF HOW AD TECH PUTS CONSUMERS AT THE CENTRE AND BUILDS BETTER EXPERIENCES FOR THEM, WHILE YIELDING HIGH RETURNS FOR AD INVESTMENTS. I AM EXCITED FOR ENGAGING STORYTELLING AS IT ADAPTS ITSELF TO METAVERSE AND WEB3.

ONE OF THE MOST IMPORTANT TOPICS FOR ME PERSONALLY IS HOW WE AS AN INDUSTRY CAN MAKE AN IMPACT ON ENVIRONMENTAL SUSTAINABILITY. WE HAVE BEEN TALKING ABOUT IT FOR SO LONG, IT'S ABOUT TIME WE TAKE ACTION. I AM LOOKING FORWARD TO HEARING MORE ABOUT HOW WE CAN DO MORE TO DRIVE SUSTAINABILITY EVEN FURTHER THROUGH A COLLABORATIVE APPROACH WITH COMMON OBJECTIVE.

**ROSE HUSKEY**  
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## NOTES



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