



Data is changing the advertising paradigm : the era of invisibility has come, Emmanuel Brunet (Eulerian Technologies)

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Founded in 2002 by Guillaume Fougnyes and Mathieu Jondet, Eulerian Technologies is a publisher of decision making solutions used by digital advertisers to analyze and optimize in real time their digital marketing operations on all channels. Today, Eulerian Technologies generates a turnover of 3.3 million euros.

Interview of the company's CEO, Emmanuel Brunet



Can you describe your offer and your specificity in the world of data?

Eulerian Technologies dedicated its early years to research & development, guided by one main idea: real-time web analytics reporting. The logic has been to work on the incoming traffic of our clients, by using redirections instead of source parameters.

Instead of using third-party cookies, we decided to use first-party cookies, which means we place cookies on our clients' domain and not on ours.

Those choices are based on logics of data collection optimization and transparency towards consumers.

The fact is that advertisers today have less and less time to analyze: therefore there is a need to automate reporting and optimization. Our solutions are 100% complementary to digital marketing tools, such as *bid management* tools (we are, for example, partners with Marin Software) or *Demand Side Platforms* (DSP) for RTB.

We sell our solutions to e-commerce clients but also ROI-driven non-retailer clients, such as Telecom providers, banks or insurance companies.

Since the beginning, our offer has been evolving and today we propose a private DMP that contains all the user-centric data of our clients, without enriching it with third-party data. Our approach is based on a simple principle: we are the guardians of the temple of our clients' data.

We sell SaaS solutions and we do not work as consultants, that being the role of partner agencies.

Among the marketing channels, what is currently growing?

ROI-driven *display*! Our e-retailer clients are increasingly using it. A lot of advertisers are returning to e-advertising, after putting it aside these last years. The *display* sector first benefited from *retargeting*, and then from the boom of *Real Time Bidding*.

With automatic purchase, advertisers are able to use their first-party data, which are the most efficient for RTB campaign optimization.

Therefore, *display* has a large potential for growth, in particular when compared to *search*, whose budgets are getting closer and closer to an asymptote.

What is the performance of display advertising?

The performance with *display* advertising depends on the attribution rules, especially on the consideration or not of *post-view*.

For retargeting campaigns on abandoners, measured via a last paid click rule, it is likely that the results will be better than with *search*. If *post-view* is considered, then the performance will be clearly better than with *search*. If they are *look-alike* campaigns, the transformation rates will probably not be as good. But, in most cases, they will be better than with classic *premium display*, whose first role is to raise the awareness and the values of the brand.

Display in the social universe is also more and more used by our clients, in particular Facebook Adex whose high impression volume makes it an alternative solution to existing tools.

What would you advise to correctly define and use an attribution model?

Concretely, when it comes to attribution rules, an advertiser usually works with one default rule. However in order to have a thorough vision of the performance and the contribution to performance of the different marketing channels, you have to switch with one or several other rules and compare them. The media mix will determine how you attribute the sales to a channel or another.

For example, an advertiser can use three rules:

- A last paid channel rule, limited to *post-click*
- A last paid channel rule, integrating *post-view*
- A first channel rule

With a comparison engine for attribution rules you can then isolate the interactions between advertising channels that integrate *post-view* and pure *post-click* channels, as well as the link between the channels at the beginning of the consumer journey and those at the end. It is then easy to understand which *post-click* channels concretize display contacts that are not followed by a click, which channels complete those that initiate the purchase cycle...

The process is iterative; as you add new rules it is possible to compare them to the rules already in place.

Beyond those basic principles, there is a role to be played by consulting and datamining. The most advanced agencies will export data and bring intelligence. They will determine the path to purchase by analyzing the interaction history between the advertiser and the consumers over several months. They will also straighten the biases (seasonality, promotion, offline media...) in order to define which channels contribute the most to conversions and to predict the impact of the evolution of budgetary arbitrations between the different channels.

What are the market trends?

The rules are becoming more and more heterogeneous, according to advertisers. Little by little, standard rules such as “last channel” are being completed by more evolved ones that are more adapted to the advertisers’ job, to their media mix, to the purchasing behavior of their customers...

The market is starting to realize how difficult it is to *benchmark* marketing operations with the same rules for every advertiser: this is the major change. Before, everybody was using more or less the same rule, mostly last click. Interactive advertising is changing paradigm: each advertiser is now able to use their own attribution rules. Each advertiser’s choices become unique and invisible to other advertisers.

Everyone talks about data but less and less about advertising space or support context. Is this media dying?

It is true that nobody buys media spaces anymore. Now you buy profiles thanks to data, in particular to the use by advertisers of their own first-party data. It is a revolution of substance. The notion of media plan is disappearing because an RTB purchase is more a file plan rather than advertising space purchasing.

In France, with the growth of RTB, the 20 years old Sapin law is definitely insufficient to regulate the relations of online marketing investments.

However, context is not dead. Let us take the example of low traffic websites, like blogs. They have difficulties selling their spaces for RTB so they propose to integrate the ads between the article and the visual instead.

The relation between advertising and content is not dead. Nevertheless it is true that there is no industrial logic yet.

In your opinion, how will advertising evolve?

The market will fragment. Not so long ago there was almost only Google and its solutions. A few years ago, advertisers could focus 100% of their efforts on *search* (SEO and SEA). Today, there are

serious alternative solutions such as: Criteo, Facebook Adex, independent DSP, and lots of *trading desks*... to name but a few. *Retargeting* has been booming these last two years. The market will certainly keep fragmenting. This will change attribution models.

Formerly, it was the behavior and the conversions of a computer that were being monitored; today, it is the journey of a consumer on multiple devices. The job becomes more complex, you need to have an exhaustive vision in order to clearly understand the interactions between the different marketing channels.

The role of independent third parties, able to give a neutral judgment on the performance, will keep growing.