



PRECISE
ADVERTISING
TRANSFORMS
POSSIBILITIES
INTO PRIORITIES
INTO PURCHASES



IT'S AN ADVERTISING CLICHÉ THAT HALF OF ALL ADVERTISING IS WASTED BUT ADVERTISERS DON'T KNOW WHICH HALF.

Inefficiency has been the stuff of jokes since the dawn of advertising, until now. While many digital agencies still struggle to convert the promise of digital advertising efficiency into client reality, clients of AdTaxi are already there.

AdTaxi's methodology merges relentless focus with its clients' real-world understanding of how their customers make purchasing decisions. By anticipating where customers are likely to be online as they proceed through a purchasing decision, AdTaxi clients meet customers at each stage with relevant information: the right message to the right user at the right time – in the right location and on the right device.

"We take a data-driven approach to marketing, and reverse-engineer custom digital marketing solutions based on each client's unique challenges," says Chris Loretto, executive vice president of digital with the Denver-based agency. "Every business is different, and we take the time to have the right conversations with each potential client to understand their target customers and business objectives."

"We then focus on the metrics that matter most to each client, which are typically a blend of custom conversion touch points on their site, and programmatically deliver conversions at scale."

METRICS WITH MEANING

The more you know about where and when a potential customer will be, the more that lead should cost, right?

Not necessarily. For Loretto, it's all about price versus performance of each impression. "We specialize in Real Time Bidding (RTB), and using our proprietary algorithmic optimization process we're constantly evaluating our bids based on predicted benefit to the campaign."

Loretto calls this logarithmic bid modification. Marketers know it as spending the right amount on the right customers at the right time.

"Every step of a consumer journey in the purchase process has value, not just the last step," says Loretto. "It starts with the client saying, 'This is the metric that defines success for us.' Then the AdTaxi methodology reverse-engineers the customer pathways to that final conversion and mines the RTB path for micro-conversions along the way. The process continually iterates and performance improves as the campaign goes on. By focusing on the concrete metrics that matter, there's no interpretation as to how your campaign is working. We can see the value of each interaction."

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VICE PRESIDENT OF DIGITAL

CONTINUUM TO MOMENTUM

AdTaxi's proprietary optimization algorithm that powers their performance-based RTB campaigns is named "Magellan."

"Magellan was originally developed to help us optimize our ecommerce campaigns to focus on ROI for those specific types of businesses," says Loretto. "But we quickly discovered that when we applied that technology to all other business verticals, the results were phenomenal for our clients."

The Magellan algorithm governs performance at the campaign level, optimizing to bring the highest value site visitors to any site for the lowest effective cost per visit. Blend that with what a client already knows about their customers' decision-making process and AdTaxi prospects new potential customers at scale. For instance, if an auto dealer knows that the more views any given vehicle gets on its site the faster that car is most likely to sell, that dealer would want to get as much quality traffic to those types of pages as possible in order to sell more cars.

The cycle fuels itself by analyzing key similarities from customers who reach any given conversion point. Top-indexing data points are used to target "look-a-likes" of the consumers who are most likely to be in market based on each conversion's "digital DNA."

Consumers want to buy things that make their lives more productive, safer or happier. Metrics are, in the end, milestones on a journey that lead to moments that matter in real people's lives. The metrics that matter to a client are a compilation of the moments, locations, messages and devices that matter for their potential customers.

Here are a few examples.

A GPS FOR CAR BUYING CUSTOMERS

It's hard to stay ahead of the curve when the curve constantly changes.

Arash Haidari, general manager of Serramonte Subaru, in Colma, Calif., has to stay a step ahead of his market – a market that includes the most digitally savvy consumers in the world: Silicon Valley employees, students and staff at internationally renowned universities and plugged-in Bay Area residents.

In the 15 years Haidari has been in auto sales, he has seen expectations for digital marketing evolve from banners imitating traditional newspaper print ads to Google Adwords to the real-time evolution of AdTaxi's methodology. As advertising has become more precise, customer expectations have become more exacting. They are long past simply researching online, says Haidari, and now drill down to purchasing specifics before they call or email the dealership for specifics of prices, model availability, and to schedule test drives.

"They want everything instantly. They want you to give them information within 10 minutes," says Haidari. "We get back to them within seven to eight minutes, with a team that does nothing but monitor inquiries coming in from the website."

AdTaxi's package and platform paces customers through that journey, says Haidari, guiding those most likely to buy a car through the right ads targeted to the right point in their decision process, served at the right time and at the right place. It's driven by analytics but is far from automatic pilot, as the program reflects the ever-evolving, real-life process Haidari and his team observe with customers.

"AdTaxi sets it up but the more involved you are with what your customer wants, the better it is," he says. "The more you invest in and tailor it to your customer, it works a thousand times better."

His approach is to target buyers by age groups and other broad-stroke characteristics, usually pivoting on lifestyle factors. Subaru tends to attract active travelers, those who like outdoor pursuits and those with adventurous spirits, and has found success by being digitally adjacent to lifestyle events such as snow festivals.

Haidari calls this tapping into the customer's "digital DNA." "There are customers who aren't even thinking of buying a car, and they see an ad for a four-wheel drive. Then, if enough people click through, that becomes a DNA strand," he says. If that customer subsequently searches for information about 401(k) plans, that provides data that differentiates her from another who subsequently searches for cheap airfares for spring break.

As the customer traverses the internet, her digital DNA shapes into a customer profile that helps Serramonte deliver ever-more-targeted information about how a Subaru can help her better pursue and enjoy her lifestyle.

"They might be 60, 90 or 120 days ahead of their decision, but they'll see Serramonte Subaru's banner and ads in front of them," says Haidari. "As soon as that person makes the determination that it's time for them to get that car, AdTaxi puts me in front of them. Slowly, through the process, we reach out to them. We're not emailing or calling them. We're just alongside them, whether they are online at work, at their house or on mobile."

Results are rolling in.

Since it has started working with AdTaxi, the dealership has captured more than 61,000 views of vehicle details pages, about 3,600 location page visits and almost 1,000 e-price quotes.

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ARASH HAIDARI, GENERAL MANAGER OF SERRAMONTE SUBARU, IN COLMA, CALIF.

DRIVING CUSTOMERS TO SONOMA RACEWAY

What do auto racing fans do online when they're not at the track?

Sure, they follow racing news. That's a no-brainer. But they also watch lots of football. They get and use the latest digital technology. They research fitness news and look for better ways to get and stay healthy. They peruse how-tos for home-improvement projects.

"We're looking for more connections like that and how we can pique their interest by finding those shared interests," says Gary Phillips, vice president of Sonoma Raceway, whose corporate headquarters is in Charlotte, N.C., and that operates raceways around the country, including in Sonoma, Calif. Each raceway hosts a variety of auto racing events.

Each tiny bit of data Sonoma has gathered about the interests of its customers amounts to a single "digital breadcrumb." Phillips' challenge is to arrange those breadcrumbs into a route that will draw customers to Sonoma's events and promotions. "Each piece has its own function, and it all comes together," he says.

Phillips relies on traditional advertising – radio stations, billboards and targeted television – but until recently utilized limited digital campaigns. When he hired AdTaxi in early 2015, his goal was to zero in on race fans through key online venues so Sonoma Raceway was side by side with their other interests.

Sonoma already had plenty of research about what its customers liked to do online and off. But as the raceway transitioned to a "digital first" marketing philosophy, the enthusiasm of the AdTaxi staff for assembling a holistic understanding of race fans distin-

guished them from other digital agencies.

Phillips had two pressing questions he believed could expand Sonoma's presence with both customers and those who influenced those customers' decisions. Most Sonoma ticket transactions were for two or three tickets. Sonoma knew plenty about the purchasing consumer. But who were the other two? If Sonoma could reach those "shadow fans," they could work on getting them excited about a day at the races and in turn, increase the odds that those shadow fans engage, transact and become known.

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SONOMA RACEWAY**

With AdTaxi's methodology, Sonoma is now detecting the "shadow fans" and the ticket-buying fans as distinct customers. "We're taking it from transaction-driven data to a more holistic experience," says Phillips. "We're finding those fans where they are throughout the day."

The seasonality of the sport means Sonoma needs to have an ongoing conversation with current and potential customers. Phillips wants to get on their radar screens - and their calendars - well before the first flag drops for the first race of

the new season. AdTaxi's approach to finding and engaging fans across digital channels is proving key to fueling those ongoing conversations. The campaign focused on picking up digital display ads in real-time bidding for the best placement at the best price, with an emphasis on mobile and video platforms.

"We're selling to an enthusiast community that's passionate about what we have," says Phillips. Social content, especially video, is yielding a bumper crop of breadcrumbs.