

HOW SMART SUPPLY CUT TIER 2 AUTO MEDIA COSTS BY UP TO 79%

OVERVIEW

Regional dealer groups and automotive associations needed a smarter approach to programmatic buying at the local level. Traditional buying infrastructure — built for national OEM scale — delivered budget inefficiencies, out-of-market waste, and imprecise conquest targeting that failed to account for the realities of Tier 2 buying.

CHALLENGES

Tier 2 auto advertisers — dealer groups and regional campaigns — faced fragmented programmatic efficiency and rising media waste. Running on infrastructure built for national OEM scale rather than local outcomes, traditional buying paths resulted in:

Budget pressure without flexibility

Fixed regional budgets with no room for waste. Without supply-side qualification, spend leaked into out-of-market impressions, indirect paths, and low-intent inventory before the DSP saw a single bid request.

Tier blindness in the bidstream

No pre-bid differentiation between a national brand impression and a DMA-level in-market shopper.

Conquest without precision

DSP-side conquest segments lacked the supply-side signals to intercept shoppers in active consideration.

SOLUTION

Smart Supply addressed these challenges by sitting between SSPs and the DSP — optimizing supply without disrupting existing workflows, activation strategies, or budget controls.

- **At the planning level**, Smart Supply deployed AI to forecast KPI probability by DMA and audience segment before activation. Multi-source intelligence was used to identify the inventory to convert before it reached the DSP — enabling Tier 2 buyers to proactively allocate budget toward high-probability supply rather than reacting to post-bid performance data.
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- **At the filtering level**, Smart Supply removed approximately 50% of unqualified traffic pre-bid. Device-level geo signals were applied at the supply source to eliminate out-of-market inventory before the bid, ensuring only in-market, brand-safe impressions from conquest DMAs reached the DSP.
- **At the supply path level**, Smart Supply enforced the shortest, most efficient publisher-to-DSP path across 10+ SSPs, integrated across all major supply-side platforms and optimizing proactively before inventory reached the buyer's stack.
- **At optimization level**, Smart Supply continued pre-bid optimization — through dynamic adjustment to deal scoring, bid priorities, and allow/block lists — ensured the highest-probability inventory reached the DSP and was revaluated throughout the campaign flight.
- **At the audience intelligence level**, a three-pillar targeting approach was applied pre-bid:



Conquest Intenders

Competitor-intender signals were identified at the supply source, while contextual signals — auto-shopping content, comparison pages, and competitor-research environments — were targeted directly in the bidstream, with auto-endemic environments prioritized pre-bid for consideration-stage relevance.



DMA-Level Geo

Device-level geo signals removed out-of-market inventory before the bid, with national deal ID scale maintained alongside dealer-proximity precision to ensure regional budgets reached the right local markets.



Multicultural

Language preference signals identified Spanish-language and multilingual households. Contextual supply was aligned to cultural content consumption patterns, and demographic and socioeconomic signals were applied at the supply source to further qualify audience relevance.

By operating between SSPs and the DSP, Smart Supply delivered cleaner bid streams, less waste, and more budget concentrated in actual conquest markets — without requiring workflow changes, new contracts, or loss of buyer control over activation and strategy.

RESULTS

By applying supply intelligence earlier in the supply path, Smart Supply delivered measurable efficiency gains across Tier 2 auto campaigns — 40–79% cost reductions, powering greater reach, frequency, and conquest across every DMA.

CTV + LIVE SPORTS

\$15.02

eCPM

-40%

VS Open Exchange Market Rate Of **\$25***

-45%

VS Premium/PMP Market Rate Of **\$27.50***

-52%

VS Direct-Sold Market Rate Of **\$31.25***

OLV

\$3.95

eCPM

-74%

VS Open Exchange Market Rate Of **\$15***

-76%

VS Premium/PMP Market Rate Of **\$16.50***

-79%

VS Direct-Sold Market Rate Of **\$18.75***

DISPLAY

\$1.58

eCPM

-55%

VS Open Exchange Market Rate Of **\$3.50***

-66%

VS Premium/PMP Market Rate Of **\$4.62***

-73%

VS Direct-Sold Market Rate Of **\$5.88***

-40-79% below market rates, benchmarked by eMarketer / Guideline.

Filtering out nearly half of unqualified traffic before it ever reached the DSP wasn't just about efficiency — it was about trust. Advertisers could finally see budgets go toward real, in-market impressions instead of invalid traffic and out-of-market waste. That discipline is what got us to a \$1.58 eCPM on display, 73% below direct-sold rates.



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PARTNER WITH OUR TEAM TO GET STARTED.

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