



LIVE SPORTS INCREMENTAL REACH LEADS TO DECISIONED UPFRONTS

Old Navy drives incremental reach by 20% with live sports testing. The move reduced cost per unique household and spurred decisioned upfront buys for 2024

RESULTS

36.7M

total households reached across both programmatic guaranteed and live sports media

1.2M

incremental households reached with live sports by excluding users reached via programmatic guaranteed

70%

reduction in cost per unique household on live sports versus programmatic guaranteed

"Working with PHD and The Trade Desk allowed us to challenge the way we approached upfronts. Their partnership in creating a new strategy revealed valuable insights, which resulted in us reaching more of our key audiences with net-new unique households and proved the cost-efficiencies of consolidation and decisioned buying." – *Bette Kestin, Director of Media Strategy and Investment at Old Navy*

OLD NAVY AND PHD SOLIDIFY THE MOVE FROM LINEAR TV TO PROGRAMMATIC

As daily viewership on linear TV continues to decline¹ with only 44% of U.S. households maintaining cable subscriptions,² Old Navy and the media agency PHD have embraced the shift away from linear TV to Connected TV (CTV). To adapt to this changing landscape, Old Navy collaborated with PHD and The Trade Desk to revamp its marketing strategy and meet consumers where they now predominantly engage with content: CTV.

THE INITIAL STEP: PROVING THE VALUE OF PROGRAMMATIC

Since Old Navy historically relied heavily on a linear TV upfront strategy, the retailer looked to PHD for guidance on how to better reach its most valuable audiences. PHD and our team collaborated on a new strategy that aimed to combat the lack of transparency in direct insertion orders (IOs) while showing where programmatic buying could increase the efficiency of the retailer's buys.

Having previously purchased inventory in silos directly from publishers, Old Navy first needed a holistic view of how many ads were being served to a single household across its buys. By moving some of their direct buys into a single platform via programmatic guaranteed (PG) campaigns, the PHD team analyzed Old Navy's current household reach by using our Reach and Overlap Report and found a significant amount of audience overlap.

Our Reach and Overlap Report helps brands understand audience overlap across publishers, the benefits of holistic frequency control, and the direct impact of wasted media spend when reaching the same households across multiple publishers. PHD leveraged the report to evaluate where Old Navy was driving the most unique reach across publishers and to gain clear insight into where the retailer may have been oversaturating its target consumers.

With PHD's guidance, Old Navy then consolidated all upfront partners available through CTV onto our platform to help improve its holistic frequency management capabilities and further maximize net-new reach. After consolidating onto our platform, PHD and Old Navy were finally able to mitigate audience overlap among publishers, holding them accountable to metrics, comparing performance across each, and ultimately investing in publishers with the most unique reach.

Sources: ¹ Samba TV, The State of Viewership, 2022; ² Insider Intelligence | eMarketer, September 2023.

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LEANING INTO DECISIONED BUYING WITH LIVE SPORTS

After successfully transitioning from IOs to PG, Old Navy achieved a holistic view of its inventory partners and desired audience. However, PG still had its limitations, preventing Old Navy from being able to leverage the full power of audience targeting and frequency control. The team decided to put their overlap insights into action and began exploring the next step: decisioned CTV via private marketplace (PMP) deals.

Old Navy and PHD identified live sports as the biggest opportunity for testing in programmatic. Sports has kept consumers anchored to their cable subscriptions for decades, but with more viewers turning to streaming to get their sports fix, Old Navy saw an undeniable opportunity in digital.

Accessing sports inventory programmatically had several proven advantages over linear TV. It gave Old Navy access to scalable deals that were free from the limitations of linear TV live sports buys, including high sellout and category exclusivities. Even better, decisioned programmatic buying did not require the same significant network-spend commitments to access the most premium sports inventory. Buying live sports via decisioned PMPs allowed Old Navy to further manage frequency and avoid oversaturation, all while providing the retailer with actionable insights that helped them optimize toward the top-performing networks and sports.

Lastly, buying live sports through PMP campaigns gave Old Navy layers of control that drove efficiencies across a variety of KPIs. Even though premium live sports content can lean toward higher CPMs, PHD mapped out Old Navy's KPIs using our Koa™ Optimizations, which drove down CPMs in real time — balancing delivery and performance of campaign goals consisting of business outcomes.

The efficiencies did not end there. Since Old Navy had already consolidated their upfront commitments onto our platform, PHD was able to leverage a variety of data-driven features to optimize their live sports buy toward incremental reach and more optimal frequency. By excluding consumers who had already been exposed to the retailer's PG ads from their live sports activation, the brand was able to reinvest those savings toward reaching net-new audiences — ultimately delivering media to 1.2 million incremental households that would have otherwise remained unreached.

The team was also able to reduce cost per unique household by almost 70% on live sports, compared to PG, expanding their total households reached across all media, upfronts, and live sports by 5%, resulting in 36.7 million total households reached.



UNDERSTANDING VALUE AND TRANSITIONING TO DECISIONED UPFRONTS

By moving into an untapped market with CTV, Old Navy achieved its original goal of reaching its most valuable audience, and even reached an additional 1.2 million incremental households on live sports. By consolidating Old Navy's upfront buys on our platform, the team could understand where there was overlap in the retailer's audiences and reallocate spend to the right places, creating significant cost-efficiencies. Old Navy's case demonstrates how not all impressions are of equal value, especially if a consumer is inundated with the same ad. With these successful results, Old Navy has committed to continued testing of decisioned CTV on our platform in their 2024 upfront buys. Overall, Old Navy's partnership with PHD and our team to evaluate and modernize their advertising strategy has proven successful, further demonstrating the value of aligning advertising strategies with the evolving TV ecosystem.