

FORRESTER®

# The Total Economic Impact™ Of The Quantcast Platform

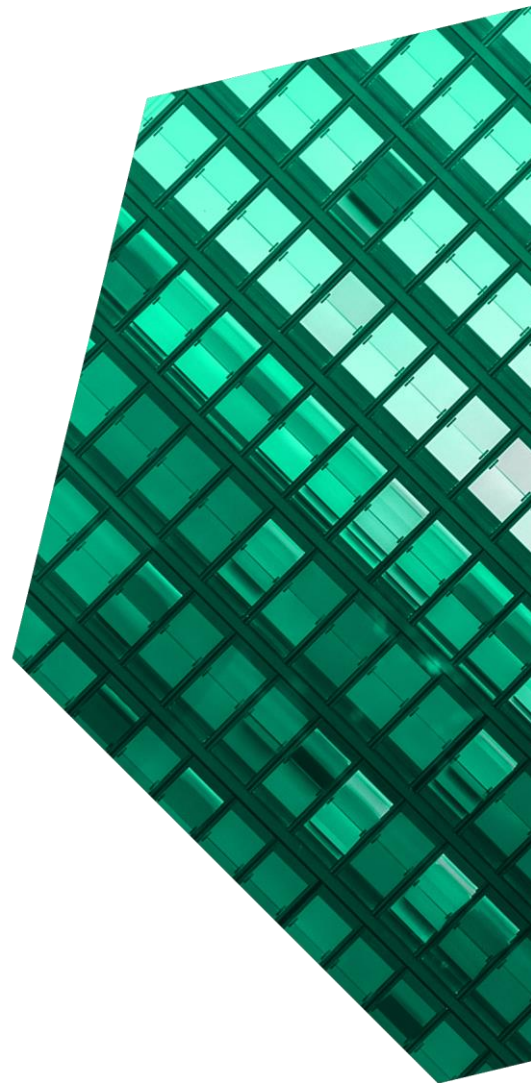
Cost Savings And Business Benefits  
Enabled By The Quantcast Platform

JANUARY 2022

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## ABOUT FORRESTER CONSULTING

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## Executive Summary

The Quantcast Platform leverages the power of large-scale, real-time data and AI-driven modeling to empower digital marketing teams to effectively plan, activate, and manage digital advertising campaigns. The result is top performance at maximum cost efficiency. Quantcast delivers a strategic edge and preparedness for the future amid changes in the digital marketing space.

Digital marketing teams have always been invested in creating campaigns that reach the right audiences and maximize performance while minimizing spending. Digital marketers have long used demand-side platforms (DSPs) to plan, activate, and manage campaign inventories on publisher sites, often by using data from third-party cookies. Not only has marketing on DSPs become increasingly complex and time-intensive, but the changing privacy and data regulatory environment has also introduced additional challenges for digital marketers.

The impending deprecation of third-party cookies and other actions by walled gardens means that marketers have no choice but to retire solutions that rely on third-party cookie data and to explore new approaches to reach target audiences.<sup>1</sup>

In this environment, Forrester predicts that solutions like [the Quantcast Platform](#) that feature AI-driven audience modeling will become an increasingly valuable component of digital marketing strategies.<sup>2</sup> The Quantcast Platform is a next-generation DSP 2.0 with self-service planning, activation, campaign management, and reporting capabilities for digital marketing campaigns.

The Quantcast Platform delivers performance via an intelligent model informed by AI optimization and a vast, real-time data set that captures live first-party data signals from pixels placed on more than 100 million web and mobile destinations. The data set can also be augmented with first-party data from

### KEY STATISTICS



Increase in Conversions  
**44%**



Increase in Productivity  
**50%**

organizations' marketing systems. The platform allows digital marketing teams to deploy digital display advertising including video and banner formats on the open internet and outside of walled gardens.

Quantcast commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying the Quantcast Platform.<sup>3</sup> The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of the Quantcast Platform on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five decision-makers with experience using the Quantcast Platform. For the purposes of this study, Forrester aggregated the interviewees' experiences

and combined the results into a single [composite organization](#).

Interviewees said that prior to adopting the Quantcast Platform, their organizations' digital marketing teams were limited in their ability to accurately reach their intended audiences, despite efforts to manually plan and adjust audience segments and to manage settings for campaigns and inventory bids.

Interviewees said campaign spending was too high given underperforming results that fell short on key performance indicators.

The scale and real-time nature of the Quantcast data set combined with a performance-modeling capability powered by AI allows the Quantcast Platform to make it possible for digital marketers to gain new insights into their audiences, accurately reach audiences at any point in the sales funnel, and apply ad budget for top efficiency. Budget dollars stretch further, and key performance indicators such as reach, impressions, and conversions increase substantially.

**“What Quantcast brings to the table that we don’t really get elsewhere is the scale of the data and the intelligence of [its] model. It shows with the efficiency that we get through Quantcast that we just don’t get elsewhere. We’re able to spend at a more efficient rate than what we’ve seen with a lot of other partners.”**

*Performance media associate manager, agency, financial services brand*

**Quantcast is our top performer.**

— Associate director, agency, media brand

## KEY FINDINGS

**Quantified benefits.** Risk-adjusted present value (PV) quantified benefits include:

- **Profit from a 44% increase in customer conversions totaling \$1.43 million.** A 20% increase in impressions and a 20% increase in conversion rate translate to increased customer conversions and increased profits. For the composite organization, the increase in impressions and conversions in 20 campaigns is worth more than \$1.43 million in profit.
- **20% more efficient ad spending valued at \$583,000.** Efficiency of ad spending using the Quantcast Platform means that budget spend deployed on the platform stretches 20% further. For the composite organization, this is equivalent to a \$583,000 increase in its budget over three years.
- **DSP cost avoidance of \$437,000.** Each dollar of advertising budget spent on the Quantcast Platform is a dollar that organizations can avoid spending on other, lower-performing DSPs. This allows an avoidance of fees related to use of other platforms.
- **Planning, activation, campaign management, and reporting tasks in half the time.** Interviewees said the Quantcast Platform is intuitive, easy to use, and leads to time savings of 50% for digital media team traders on planning, activation, campaign management, and reporting tasks. For the composite organization, this leads to a three-year PV of \$22,000.

**Unquantified benefits.** Benefits that are not quantified for this study include:

- **Insights for marketing strategy.** Data and visualizations give marketers rich new insights into audience behavior and campaign performance in support of new strategies to optimize and innovate. The Quantcast Platform's AI-driven approach and data features empower

advertisers to discover new audiences and implement new strategies accordingly.

- **Confidence for the cookieless future.** Interviewees expressed confidence in Quantcast's commitment to privacy and handling of the transition away from third-party cookies.
- **AI optimization for key audience reach.** Interviewees said that with the Quantcast Platform, campaigns could accurately reach key demographic audiences. The Quantcast Platform's AI and machine-learning engine Ara powers the platform and allows optimized audience creation to help marketers find their audiences with precision.
- **Stellar customer support.** Quantcast provides superior customer service that is responsive, fast, and helpful. Its team is ready and willing to partner with brand and agency digital media teams to optimize use of the platform.
- **Improved agency-client relations.** Interviewees from advertising agencies said both digital media teams at advertising agencies and their clients appreciated the platform's performance and results. Clean reporting and monitoring delivered insights and numerous intuitive and highly visual reports that agency teams could share with clients on demand to help them better understand their markets and businesses.

**Costs.** Risk-adjusted PV costs include platform costs totaling \$1.15 million over the three-year analysis. The Quantcast Platform has a simple and transparent fee structure based on features used. The composite organization deploys \$3.75 million of its ad budget on the platform during the three-year analysis.

The decision-maker interviews and financial analysis found that a composite organization experiences benefits of \$2.48 million over three years versus costs of \$1.15 million, adding up to a net present value (NPV) of \$1.33 million and an ROI of 115%, net of costs.



ROI  
**115%**



BENEFITS PV  
**\$2.48M**



NPV  
**\$1.33M**



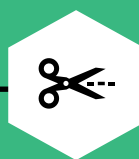
PRODUCTIVITY  
IMPROVEMENT  
**50%**



INCREASED CUSTOMER  
CONVERSIONS  
**44%**



INCREASED AD  
SPENDING  
EFFICIENCY  
**20%**



DSP COST  
AVOIDANCE  
**\$437K**

**Quantcast is a proven performer.**

— Performance media associate manager, agency, financial services brand

### TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in the Quantcast Platform.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that the Quantcast Platform can have on an organization.

#### DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Quantcast and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in the Quantcast platform.

Quantcast reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester’s findings or obscure the meaning of the study.

Quantcast provided the customer names for the interviews but did not participate in the interviews.



#### DUE DILIGENCE

Interviewed Quantcast stakeholders and Forrester analysts to gather data relative to the Quantcast Platform.



#### DECISION-MAKER INTERVIEWS

Interviewed five decision-makers at organizations using the Quantcast Platform to obtain data with respect to costs, benefits, and risks.



#### COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewees’ organizations.



#### FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the decision-makers.



#### CASE STUDY

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester’s TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

# The Quantcast Platform Customer Journey

## Drivers leading to the Quantcast Platform investment

Interviewed Decision-Makers		
Interviewee	Industry	Region
Performance media associate manager	Agency, financial services brand	United States
Associate director	Agency, media brand	United Kingdom
Growth marketing manager, paid acquisition	Financial services brand	United States
Agency account manager	Auto marketplace brand	United Kingdom
Integrated media manager	Agency, retail brand	United States

### KEY CHALLENGES

Prior to adopting the Quantcast Platform, the interviewees' companies had invested in multiple DSPs, but decision-makers wanted to efficiently reach audiences to improve campaign performance. The interviewees noted how their organizations struggled with common challenges prior to adopting the Quantcast Platform, including:

- **Inaccurate audience planning.** Digital marketing teams allocated budget on DSPs, but planning was based on data that was too broad or too stale to accurately reach audiences. It was common to rely on packaged segments when attempting to reach specific demographic segments. However, the outdated nature of most segments means that leads were no longer live, and a lack of ability to refine demographic segments meant the organizations delivered to large swaths of customers who were uninterested. When campaigns were activated and managed, bidding was inefficient and wasteful.
- **Difficult and time-consuming planning, activation, reporting, and campaign management.** Traders expended time and effort agonizing over and changing settings without

assurance that this work would result in performant spend. Reporting was a time-consuming chore and interpreting the results to inform next steps required substantial time and effort.

- **Poor performance.** Interviewees said their organizations' ad spends underperformed. Decision-makers allocated budget toward DSPs, but the display advertising results were not as they hoped. Bids were too high, ads didn't reach the right audiences, or both. Key performance indicators went unmet.

**“The less [time] that I can spend using logistical stuff, the more I can focus on the big-picture strategies of my other campaigns. Ever since [implementing] Quantcast, I feel like I’ve had to dedicate less time doing nitty-gritty stuff.”**

*Growth marketing manager, paid acquisition, financial services brand*



## COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the five decision-makers that Forrester interviewed and is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

**Description of composite.** The composite organization is a digital marketing team that supports a brand's US and UK marketing campaigns. The team is comprised of 20 members including two Quantcast Platform power users. These power users use a variety of other DSPs in addition to the Quantcast Platform. The composite's two power users are in trader roles, and they use the platform daily for planning, activating, and managing campaigns and reporting associated with the campaigns. Each member of the team uses the platform to review campaign performance and gain insights.

The total display advertising budget deployed across multiple DSPs remains static at \$5 million annually for the duration of the three-year analysis.

**Deployment characteristics.** The organization allocates \$1 million of its advertising budget to the Quantcast Platform in Year 1, which represents 20% of its overall DSP budget. However, it increases the budget allocated to the Quantcast Platform each year. The composite runs eight banner and video campaigns in Year 1, but it increases the number of campaigns in subsequent years. Campaign types include brand awareness and conversions including prospecting and retargeting.

### Key assumptions

- **\$5 million annual DSP budget**
- **Spends 20% of its DSP budget on the Quantcast Platform**
- **20 digital marketing team members**
- **8 US and UK campaigns**

**“What drew us to Quantcast is [that representatives went] to the drawing board with us and [they were] really detailed in the recommendations they were giving back to us.”**

*Performance media associate manager, agency, financial services brand*

# Analysis Of Benefits

■ Quantified benefit data as applied to the composite

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Profit from additional customer conversion	\$467,500	\$584,375	\$701,250	\$1,753,125	\$1,434,814
Btr	Value of efficiency of ad spending with Quantcast	\$190,000	\$237,500	\$285,000	\$712,500	\$583,133
Ctr	DSP cost avoidance	\$142,500	\$178,125	\$213,750	\$534,375	\$437,350
Dtr	Productivity improvement	\$8,892	\$8,892	\$8,892	\$26,676	\$22,113
	Total benefits (risk-adjusted)	\$808,892	\$1,008,892	\$1,208,892	\$3,026,676	\$2,477,410

## PROFIT FROM ADDITIONAL CUSTOMER CONVERSION

**Evidence and data.** The interviewees’ organizations used DSPs to bid on and purchase ad inventory on publisher websites. The Quantcast Platform delivered performance via an intelligent model informed by AI optimization and a vast, real-time data set that captures live data signals directly from pixels placed on more than 100 million web and mobile destinations. The Quantcast Platform optimized placement for both price and performance resulting in:

- 20% increase in the number of audience impressions.
- 20% increase in conversion rate.
- 44% increase in conversions.
- Increased profit.

**Modeling and assumptions.** Forrester assumes the following about the composite organization:

- The composite’s average campaign value is \$125,000.
- The composite’s number of campaigns increases each year.

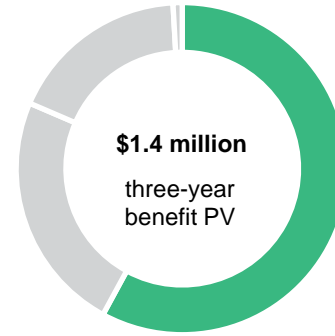
- Before adopting the Quantcast Platform, impressions per campaign averaged around 20.8 million and conversion rates averaged 0.25%.
- The average order value is \$100. Each additional conversion drives \$100 of additional revenue.

**“It’s taken the manual purchases away from me, and it optimizes as we go along. It’s just getting cleverer as we spend more money and more time on the site. We [are] always refining which audiences we’re looking for and Quantcast has really helped find our new audiences.”**

*Agency account manager, auto marketplace brand*

**Risks.** Benefits realized may vary based on:

- The organization’s conversion rates, the value of conversions, and profit margins, which may be higher or lower depending on the industry.
- Whether or not all conversions are attributable to the Quantcast Platform.



**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$1.43 million.

<b>Profit From Additional Customer Conversion</b>					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Number of annual the Quantcast Platform campaigns	Composite	8	10	12
A2	Average spend per campaign on the Quantcast Platform	Composite	\$125,000	\$125,000	\$125,000
A3	Impressions without the Quantcast Platform	Interviews	166,666,667	208,333,334	250,000,000
A4	Impressions percent improvement with the Quantcast Platform	Interviews	20%	20%	20%
A5	Total annual impressions with the Quantcast Platform	Interviews	200,000,000	250,000,000	300,000,000
A6	Incremental impressions with the Quantcast Platform	A3*A4	33,333,334	41,666,667	50,000,000
A7	Blended conversion rate before using the Quantcast Platform	Assumption	0.25%	0.25%	0.25%
A8	Improvement in conversions with the Quantcast Platform	Interviews	20%	20%	20%
A9	Blended conversion rate with the Quantcast Platform	A7+(A7*A8)	0.30%	0.30%	0.30%
A10	Additional converted audience with the Quantcast Platform	A6*A9+A3*(A9-A7)	183,333	229,167	275,000
A11	Average order value/customer conversion value	Assumption	\$100	\$100	\$100
A12	Value of additional conversions	A10*A11	\$18,333,333	\$22,916,667	\$27,500,000
A13	Attribution to the Quantcast Platform	Assumption	30%	30%	30%
A14	Profit margin	Assumption	10%	10%	10%
At	Profit from additional customer conversion	A12*A13*A14	\$550,000	\$687,500	\$825,000
	Risk adjustment	↓15%			
Atr	Profit from additional customer conversion (risk-adjusted)		\$467,500	\$584,375	\$701,250
<b>Three-year total: \$1,753,125</b>			<b>Three-year present value: \$1,434,814</b>		

### VALUE OF EFFICIENCY OF AD SPENDING WITH THE QUANTCAST PLATFORM

**Evidence and data.** Interviewees said the Quantcast Platform improved activation of planned campaigns by optimizing the bidding for placement of ads. The Quantcast Platform continuously updated audience and pricing data and optimized to ensure budget was deployed to maximize efficiency, both in terms of marketing goals and cost. Interviewees’ organizations experienced greater efficiency of ad spending across campaigns.

- Interviewees said their organizations experienced 20% more efficient ad spending using the Quantcast Platform instead of other DSPs.
- Each budget dollar spent on the Quantcast Platform performed equivalent to \$1.20 spent on other DSPs.
- The Quantcast Platform made it possible for the organizations to avoid deploying 20% more budget with no impact to performance.

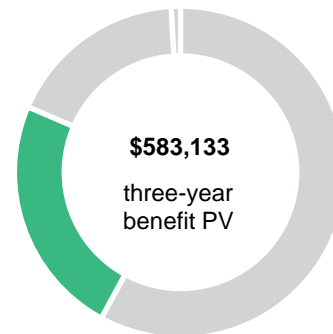
**Modeling and assumptions.** For this benefit analysis, Forrester assumes the following about the composite organization:

- The composite allocates \$1 million of its advertising budget to the Quantcast Platform in Year 1. That number increases by \$250,000 in both years 2 and 3.
- The composite would need to spend 20% more on another DSP to achieve the same results.

**Risks.** Benefits realized may vary based on:

- The organization’s total ad spend on the Quantcast Platform.
- How much of the benefit is attributed to the Quantcast Platform.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$583,000.



Value Of Efficiency Of Ad Spending With The Quantcast Platform					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Annual ad spending that can be optimized	Composite	\$1,000,000	\$1,250,000	\$1,500,000
B2	Percent efficiency in ad spending with the Quantcast Platform	Interviews	20%	20%	20%
Bt	Value of efficiency of ad spending with the Quantcast Platform	B1*B2	\$200,000	\$250,000	\$300,000
	Risk adjustment	↓5%			
Btr	Value of efficiency of ad spending with the Quantcast Platform (risk-adjusted)		\$190,000	\$237,500	\$285,000
<b>Three-year total: \$712,500</b>			<b>Three-year present value: \$583,133</b>		

### DSP COST AVOIDANCE

**Evidence and data.** Over time, the interviewees' organizations increased their advertising budget allocations toward the Quantcast Platform and moved allocation budget away from other DSPs.

**Modeling and assumptions.** For this benefit, Forrester assumes the following about the composite organization:

- The composite's total advertising budget spend allocated to DSPs remains static at \$5 million year-over-year.
- The typical base platform fee associated with non-Quantcast DSPs start at 15%. Costs typically then increase depending on data modeling, brand safety and viewability, and service fees.
- The composite initially dedicates 20% of its budget to the Quantcast Platform, and this number increases year-over-year. Its budget allocated to non-Quantcast DSPs decreases on an inversely proportional basis.
- As the composite allocates budget away from other DSPs, it avoids fees and costs it would have incurred for higher use of another DSP.

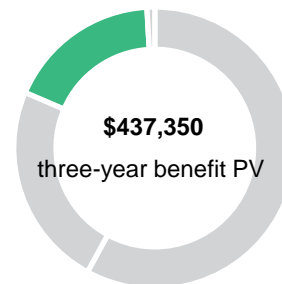
**“Good results make for happy clients.”**

*Performance media marketing manager, agency, financial services brand*

**Risks.** Cost avoidance may vary based on the following factors:

- The cost of the organization's non-Quantcast DSPs.
- The organization's budget allocation between the Quantcast Platform and other DSPs.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$437,000.



### DSP Cost Avoidance

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Total DSP marketing budget	Assumption	\$5,000,000	\$5,000,000	\$5,000,000
C2	Non-Quantcast DSP cost	Assumption	15%	15%	15%
C3	Non-Quantcast DSP total cost	C1*C2	\$750,000	\$750,000	\$750,000
C4	Percent of DSP budget reallocated to the Quantcast Platform	Assumption	20%	25%	30%
Ct	DSP cost avoidance	C1*C2*C4	\$150,000	\$187,500	\$225,000
	Risk adjustment	↓5%			
Ctr	DSP cost avoidance (risk-adjusted)		\$142,500	\$178,125	\$213,750
<b>Three-year total: \$534,375</b>			<b>Three-year present value: \$437,350</b>		

**PRODUCTIVITY IMPROVEMENT**

**Evidence and data.** Interviewees’ organizations experienced productivity improvements by adopting the Quantcast Platform.

- Interviewees said their organizations could plan, activate, and manage campaigns more quickly and with less guesswork due to AI-powered suggestions. Real-time and customizable, robust reporting was simple and included useful visualizations.
- Interviewees’ organizations were able to complete campaign tasks 50% more quickly using the Quantcast Platform than they could with other DSPs.

**Modeling and assumptions.** For this benefit analysis, Forrester assumes the following about the composite organization:

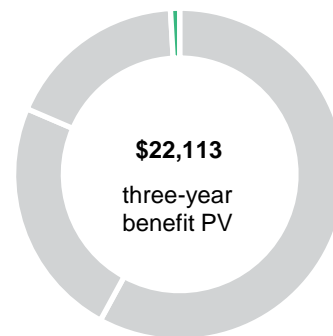
- With the Quantcast Platform, the composite decreases the time spent planning, activating, and managing campaigns, and reporting by 50%.
- Each member of the composite’s digital media team including two hands-on-keyboard trader personas spends 8 hours per week on planning, activating, and managing campaigns, and reporting prior to adopting the Quantcast Platform.

- The average fully burdened annual salary of a hands-on-keyboard trader persona resource is \$93,600.
- The amount of productivity that is recaptured.

**Risks.** The productivity benefit will vary based on:

- The organization’s number of on-keyboard traders.
- The organization’s exposure to and proficiency with other DSPs.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$22,100.



**“Quantcast is very easy to use, it’s very intuitive, and it [has] saved quite a bit of time.”**

*Associate director, agency, media brand*

<b>Productivity Improvement</b>					
<b>Ref.</b>	<b>Metric</b>	<b>Source</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
D1	Number of employees impacted by the Quantcast Platform	Composite	2	2	2
D2	Planning, activation, campaign management, and reporting hours per week prior to using the Quantcast Platform	Interview	8	8	8
D3	Average fully burdened hourly salary per hands-on-keyboard trader	TEI Standard	\$45	\$45	\$45
D4	Percent efficiency from the Quantcast Platform	Interview	50%	50%	50%
D5	Annual productivity improvement	$D1 \times D2 \times D3 \times D4 \times 52$ weeks	\$18,720	\$18,720	\$18,720
D6	Productivity recapture	TEI Standard	50%	50%	50%
Dt	Productivity improvement	$D5 \times D6$	\$9,360	\$9,360	\$9,360
	Risk adjustment	↓5%			
Dtr	Productivity improvement (risk-adjusted)		\$8,892	\$8,892	\$8,892
<b>Three-year total: \$26,676</b>			<b>Three-year present value: \$22,113</b>		

## UNQUANTIFIED BENEFITS

Additional benefits that customers experienced but were not able to quantify include:

- **Insights in support of strategy.** Interviewees said learnings and recommendations with the Quantcast Platform are highly visual, readily available, and accessible to a full range of personas across digital marketing teams. Interviewees highlighted the value of the keywords feature that displays relevant keywords and interests of the audience, which allows marketing teams to better understand their audience. With the Quantcast Platform, interviewees' organizations saw that virtually no audience is too specific or granular to be reached effectively and incisively. Marketers could plan for any audience, including multicultural audiences.
- **Confidence for the cookieless future.** Interviewees expressed confidence in Quantcast's commitment to privacy and handling of third-party cookies. Increasingly, digital marketers view data collected from third-party cookies as a liability to be avoided. Changes to the legal climate surrounding privacy rights and settings to operating systems and browsers

**“[Quantcast] puts a lot of emphasis on not compromising customer PII (personal identifiable information) and operating in the cookieless world. So, I know the data we get wouldn't be any risk, and it helps to know that the data that we monitor won't pose any risks.”**

*Growth marketing manager, paid acquisition, financial services brand*

**“It was a goal for the account spend to start investing in and reaching specific demographics like black audiences and [Latin American] audiences. Quantcast had the ability to optimize toward getting our ads in front of those demographics.”**

*Integrated media manager, agency, retail brand*

combined with changes in consumer behavior and disappearing support from large, closed ecosystems, render the use of third-party cookies undesirable and unsustainable. The Quantcast Platform is architected with consent and uses AI modeling and multiple alternative digital signals in place of third-party cookies (e.g., first-party, contextual, and additional identifiers). This positions them well for the upcoming third-party cookie deprecation.<sup>4</sup>

- **Stellar customer service.** Interviewees said Quantcast's self-service platform is backed by a customer service team that was ready to rapidly respond to meet customer needs. Whether Quantcast provided assistance or suggestions during the planning and setup phases of a campaign, or it offered guidance and ideas about how to best leverage the platform, or it proposed the next steps to take with new audience learnings, interviewees said Quantcast's customer service representatives are like an extension of their own teams.
- **Improved agency-client relations.** Interviewees said both digital media teams at advertising agencies appreciated Quantcast's performance and results. Having clean reporting and



monitoring delivered insights that agency teams could share with clients on demand to help them better understand their markets and their businesses.

## FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement the Quantcast Platform and later realize additional uses and business opportunities, including:

- **Advertising in a privacy-first world.** The trend away from third-party cookies and toward increased consumer-privacy protections means that DSPs will need to find new ways to perform ad targeting.<sup>5</sup> Forrester predicts that in 2022, advertisers will allocate larger shares of their ad budgets to AI-driven modeling solutions.<sup>6</sup> The Quantcast Platform is well-positioned as a solution to provide high-quality data signals in lieu of third-party cookie data.
- **Planned new features.** Interviewees said planned expansion into new channels beyond video and banners as well as innovative, new features (e.g., moving to a cookieless solution, using additional measurement and optimization capabilities) and Quantcast Connect (which directly connects advertisers to publishers to enhance deal and audience discovery) simplify the buying process. The Quantcast Platform also measures and validates supply deals help to place customers in a future-ready stance.
- **Advertising without limits.** The Quantcast Platform enables cookieless advertising across the open internet, and it reaches previously underserved demographics. Its AI-driven approach and data features empower advertisers to discover new audiences and implement new strategies accordingly.

**“We can get insights from the Quantcast team, but [we can] also do a lot ourselves in understanding the scale of what a keyword is, [building] our own proposed audience, and [being] able to report back to the client quickly. The intuitiveness and comprehensiveness of the planning portion of the platform has been really helpful.”**

*Performance media associate manager, agency, financial services brand*

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

# Analysis Of Costs

■ Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Platform cost	\$0	\$374,850	\$468,563	\$562,275	\$1,405,688	\$1,150,460
	Total costs (risk-adjusted)	\$0	\$374,850	\$468,563	\$562,275	\$1,405,688	\$1,150,460

## PLATFORM COST

**Evidence and data.** Interviewees said the fees their organization pays to Quantcast are the sole cost of the platform. Quantcast based these fees on a transparent schedule of rates that included inventory, bid management, and platform fees. They said the platform fee was applied as a percentage rate to the total budget activated on the platform.

**Modeling and assumptions.** For this cost analysis, Forrester assumes the following about the composite organization:

- The composite spends spend of \$3.75 million on advertising during the three-year period.
- The composite allocates \$1 million in budget spend for the Quantcast Platform in Year 1 and increases by \$250,000 each subsequent year.
- Quantcast charges the composite an overall fee that totals 35.7% of its budget spend. Platform fees start at 15% and can increase depending on optional a la carte fees and services as selected by the client including viewability percentages, pre-bid brand safety, and demographic audiences.

**Risks.** The cost to use the Quantcast Platform will vary based on:

- The organization’s allocated budget.
- The services the organization elects.

**Results.** To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$1.2 million.

**“It’s all really visual, and you can choose if you want to optimize toward sales – or if it’s a brand campaign or something more upper funnel, you can pop in the goals and select the budget optimizer if you want. The platform does most of the legwork.”**

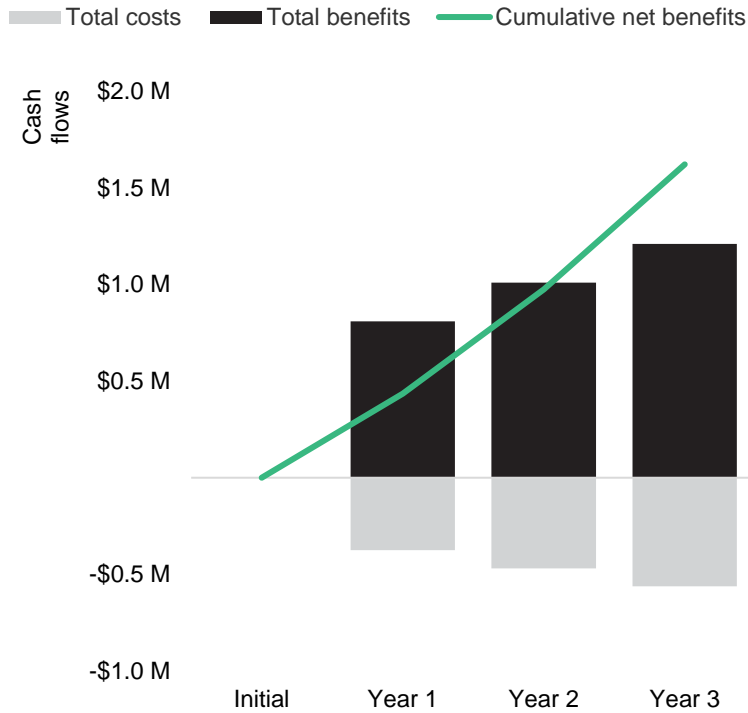
*Associate director, agency, media brand*

Platform Cost						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Annual media spend on the Quantcast Platform	Assumption	\$0	\$1,000,000	\$1,250,000	\$1,500,000
E2	Platform cost	E1*.357 budget spend	\$0	\$357,000	\$446,250	\$535,500
Et	Platform cost	E2	\$0	\$357,000	\$446,250	\$535,500
	Risk adjustment	↑5%				
Etr	Platform cost (risk-adjusted)		\$0	\$374,850	\$468,563	\$562,275
<b>Three-year total: \$1,405,688</b>			<b>Three-year present value: \$1,150,460</b>			

# Financial Summary

## CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

### Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI and NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

**These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.**

### Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$0)	(\$374,850)	(\$468,563)	(\$562,275)	(\$1,405,688)	(\$1,150,460)
Total benefits	\$0	\$808,892	\$1,008,892	\$1,208,892	\$3,026,676	\$2,477,410
Net benefits	(\$0)	\$434,042	\$540,330	\$646,617	\$1,620,989	\$1,326,950
ROI						115%

## Appendix A: Total Economic Impact

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

### TOTAL ECONOMIC IMPACT APPROACH

**Benefits** represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

**Costs** consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

**Flexibility** represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

**Risks** measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.



### PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.



### NET PRESENT VALUE (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.



### RETURN ON INVESTMENT (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.



### DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

## Appendix B: Endnotes

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<sup>1</sup> Source: “The Future Of Audience Targeting,” Forrester Research, Inc., June 9, 2021.

<sup>2</sup> Source: “Predictions 2022: Media And Advertising,” Forrester Research, Inc., October 28, 2021.

<sup>3</sup> Total Economic Impact is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

<sup>4</sup> Source: “Apply Your Data Deprecation Plan Prioritize Privacy, First-Party Data, And New Marketing Approaches,” Forrester Research, Inc., February 1, 2021.

<sup>5</sup> Forrester predicts the death of the third-party cookie will fundamentally alter marketers’ abilities to create and target audiences. Source: “The Future Of Audience Targeting,” Forrester Research, Inc., June 9, 2021.

<sup>6</sup> Source: “Predictions 2022: Media And Advertising,” Forrester Research, Inc., October 28, 2021.

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