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22 – 23 March 2018

Digital Fact Pack

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CONTENTS

STRATEGIC INITIATIVES

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Making Measurement Make Sense

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Building a Trustworthy Digital Value Chain

Building Brands Online

Growing Mobile Value

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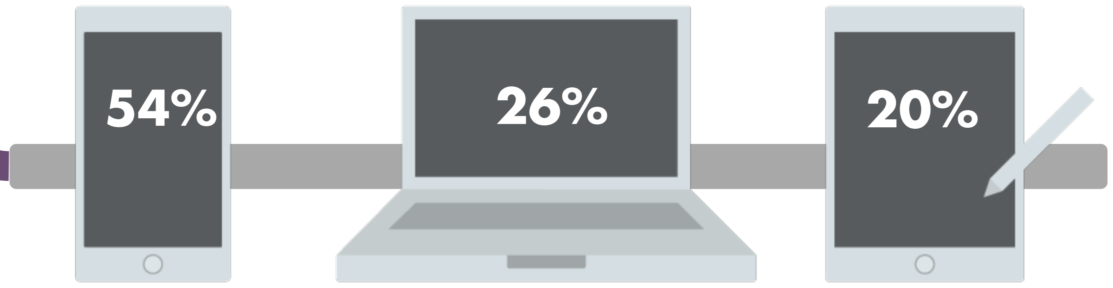
DIGITAL AUDIENCE

Time Online Per Month

Age	Time
18+	87hr 28min
18-24	85hr 03min
25-34	101hr 10min
35-49	92hr 39min
50+	76hr 57min

DEVICE SHARE OF TIME



20.4m Australians online each in January 2018
19.0m Australian online each day

15.3m Australians online on their mobile daily

87% Australians have a smartphone

Sources: Nielsen Digital Ratings Monthly Jan 18; Digital Content Ratings Jan 18

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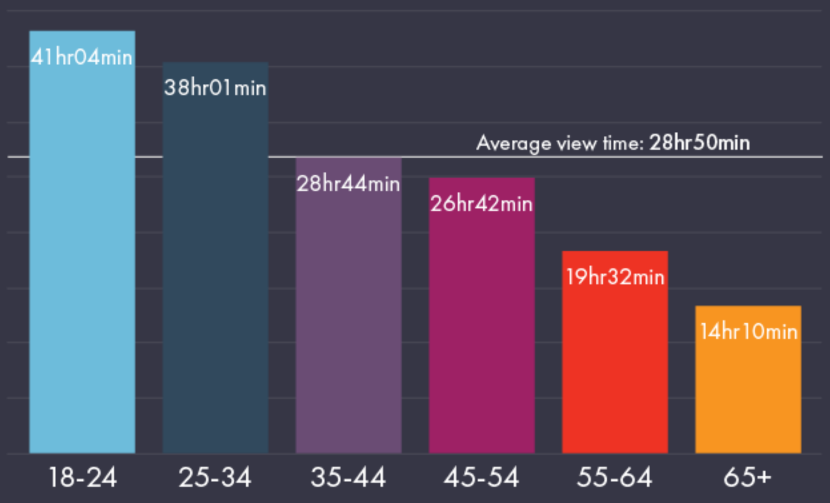
DIGITAL VIDEO UNIVERSE – 18+

Monthly digital video audience – Jan 2018

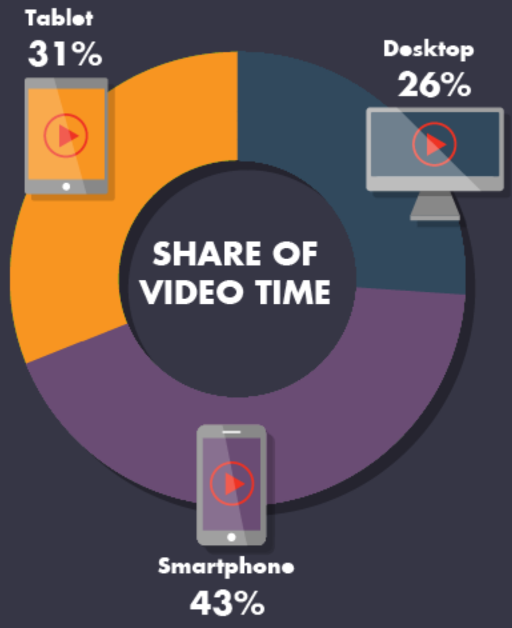
82% of Australians aged 18+ (15.5m) viewed **28 hr 50 mins** on average.

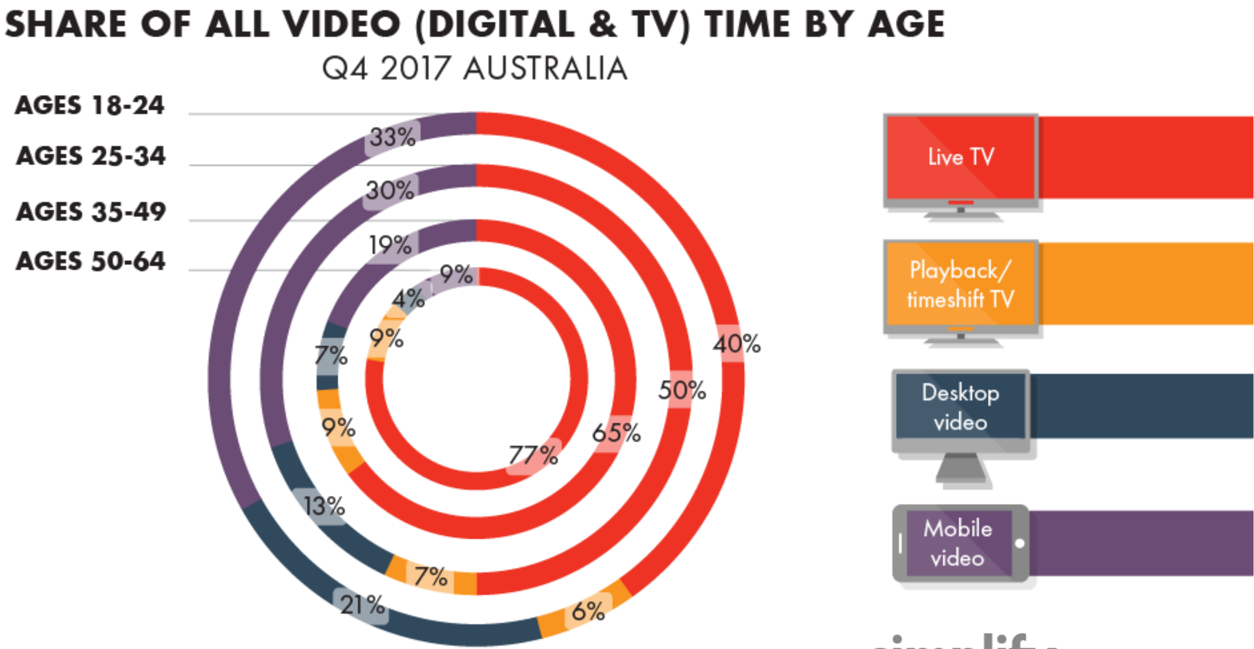
Share of all video by age – Q4 2017

Digital accounts for a **54% share of all video** for Australians aged 18-24, compared to **23% share of all video** for Australians aged 50-64.



Source: Nielsen Digital Content Ratings Jan 2018





Source: OzTam Australian Video Viewing Report Quarter 4 2017

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DEVICE OWNERSHIP

PEOPLE 14+	('000)	%
Smartphone ownership	17,819	87%
iOS	9,974	49%
Android	7,400	36%
Other OS	446	2%
Own more than 1 smartphone	1,847	9%
Daily use of internet on smartphone	15,503	75%

PEOPLE 14+	('000)	%
Tablet ownership	17,819	87%
iPad	9,974	49%
Android tablet	7,400	36%
Use iPad daily	446	2%
Use Android tablet daily	1,847	9%

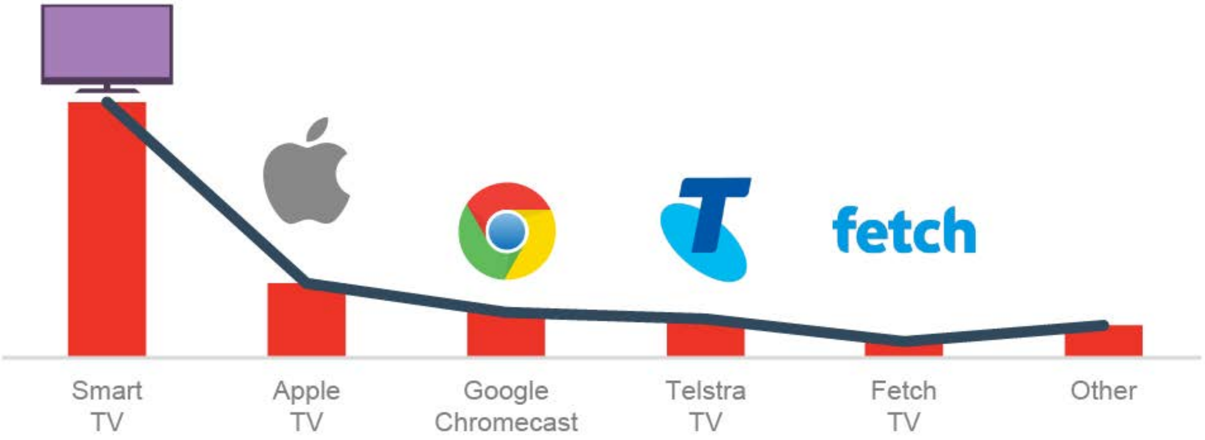
KEY DEVICE TRENDS

20.4m people online in January

87.5hrs online per person

49% people 14+ access from work

7.3m Australians access internet via a TV



	Smart TV	Apple TV	Google Chromecast	Telstra TV	Fetch TV	Other
# of people	4,942,294	1,468,435	945,715	755,986	347,059	665,333
% of populuation 14+	24%	7%	5%	4%	2%	3%

Sources: Nielsen DRM Jan 2018, aged 18+; IAB Australia Enumeration Study January 2018, ages 14+

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BRAND SAFETY

1. Brand Safety applies to ALL media channels
2. Brand Safety means different things to different brands and categories
3. Publisher content is more varied than ever
4. Marketers need to step up, digital techies need to simplify
5. Actual Australian data on brand safety is critical
6. Keep sight of the consumer

INVALID TRAFFIC/AD FRAUD

95.2% of Australian inventory was valid human traffic

Valid human traffic by platform

96.4%	**95.2%**	**95.2%**
Mobile	**Desktop**	**Video**

Source: IAB Australia/PwC IVT Benchmarks Feb 2018

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VIEWABILITY PRINCIPLES

1. The IAB viewability standard is the MRC standard
2. The IAB is committed to driving viewability
3. Non-viewable and non-measurable does not equal fraud
4. Independent measurement is an absolute necessity to measure viewability
5. The IAB will work with the vendors to publish viewability benchmarks every 6 months
6. The IAB encourages publishers, agencies & clients to work together to drive continuous improvement
7. IAB recognizes the importance of viewability but notes other variables drive business returns

VIEWABILITY INDUSTRY BENCHMARKS

APRIL 2017 – SEPTEMBER 2017

ALL MOBILE
55.2%

ALL DESKTOP
55.6%

ALL VIDEO
58.0%

Platform	Apr-Sep 2016	Apr-Sep 2017
Desktop	55.2%	55.6%
Mobile	54.3%	55.2%
Video	n/a	58.0%

Source: IAB Australia/PwC Viewability Benchmarks Dec 2017

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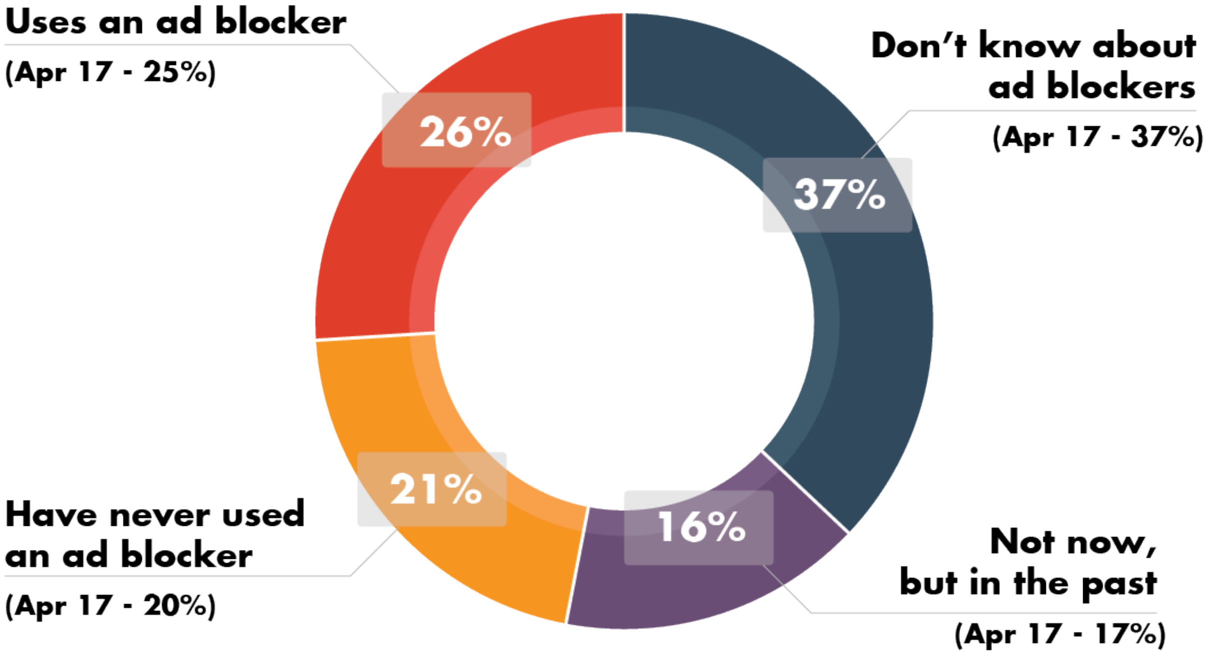
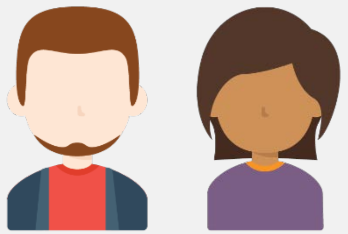
AD BLOCKING

Modification Recommendations

1. Assure users of site safety: Provide guarantees that site and ads are secure, malware- and virus-free, and won't slow down browsing.
2. Focus on ads that limit interruption of content flow and do not take an excessive amount of time to load.
3. Polite messaging to turn off their ad blocker or whitelist a site in exchange for viewing content.
4. Some sites may choose to limit content availability for users of ad blockers who do not turn off their blockers. IAB Australia members have access to an Ad Block Detection Code to help provide better communication with site visitors

AD BLOCKING BENCHMARKS – DEC. 17





Males are more likely to have installed ad blockers than females – **33% vs 22%**

Source: IAB Australia Ad Blocking Benchmarks Wave 3 Dec. 17

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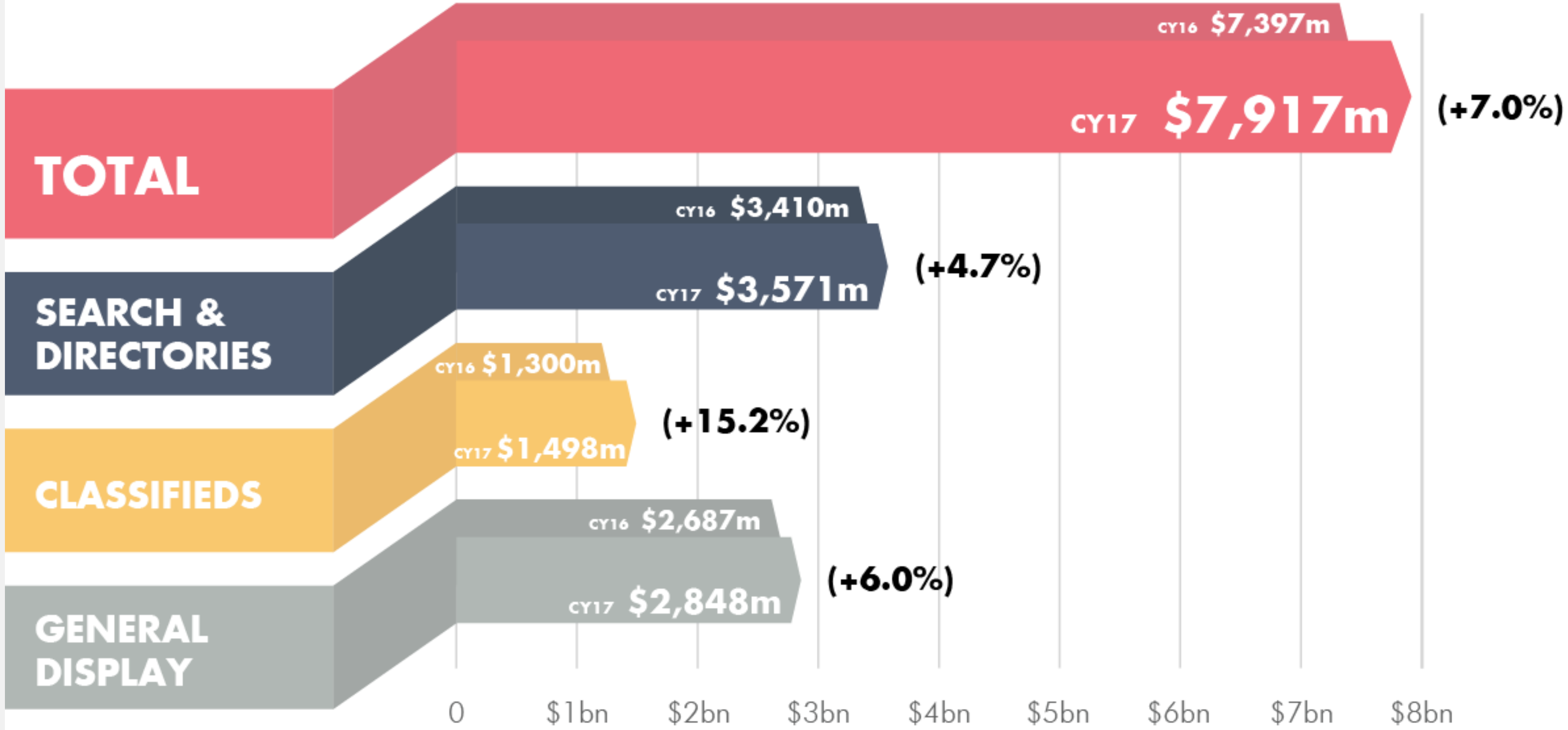
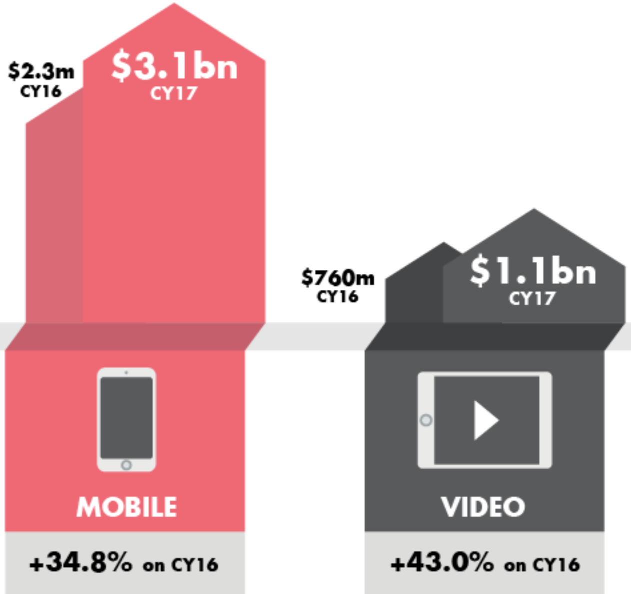
CY2017 ONLINE ADVERTISING EXPENDITURE REPORT

1. $3.1bn spent on **mobile** advertising in FY2017, up 34.8% year on year.
2. **Mobile** display advertising represented 53% of the display market
3. $1.1bn spent on **video** advertising in CY17, up 43% on CY16
4. **Video** advertising represented 38% of the display market.
5. FMCG followed by **automotive** are the two largest advertiser categories for video advertising



MOBILE AND VIDEO EXPENDITURE CY17



TOP ADVERTISER INDUSTRY CATEGORIES

DISPLAY		VIDEO	
#1	Auto	#1	FMCG
#2	Real Estate	#2	Auto
#3	Retail	#3	Retail

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AD REVENUE H1 2017 (Jan-Jun)

$7.6B Digital Ad Market

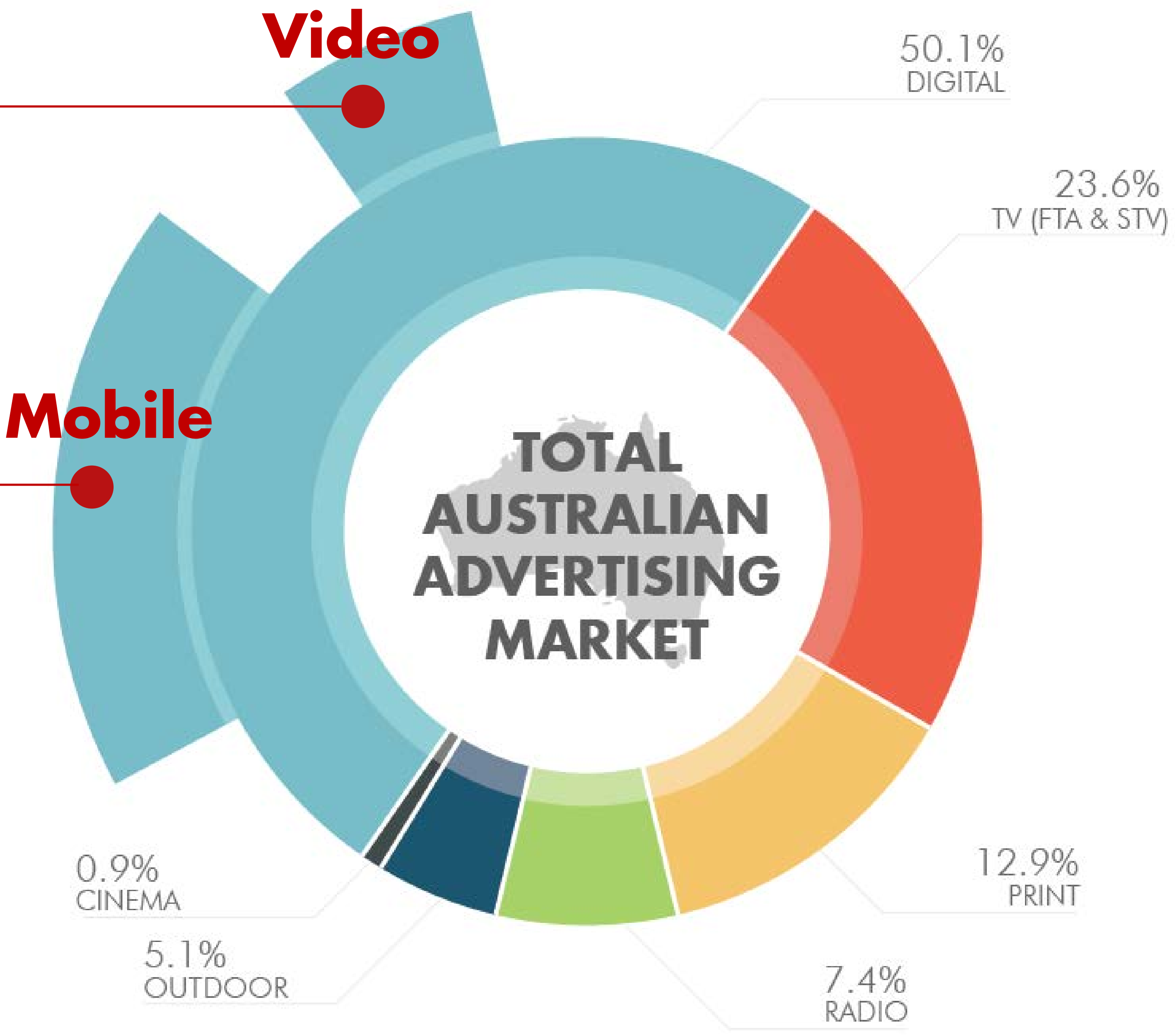
H1 2017 – 50.1% of Total Paid Ad Market

Video

Fastest Growing –now 6% of total ad market – up 49% FY17 v FY16

Mobile

Now 18% of total ad market – up 33% FY17 v F16



Source: IAB Australia/PwC Online Ad Expenditure Report; CEASA

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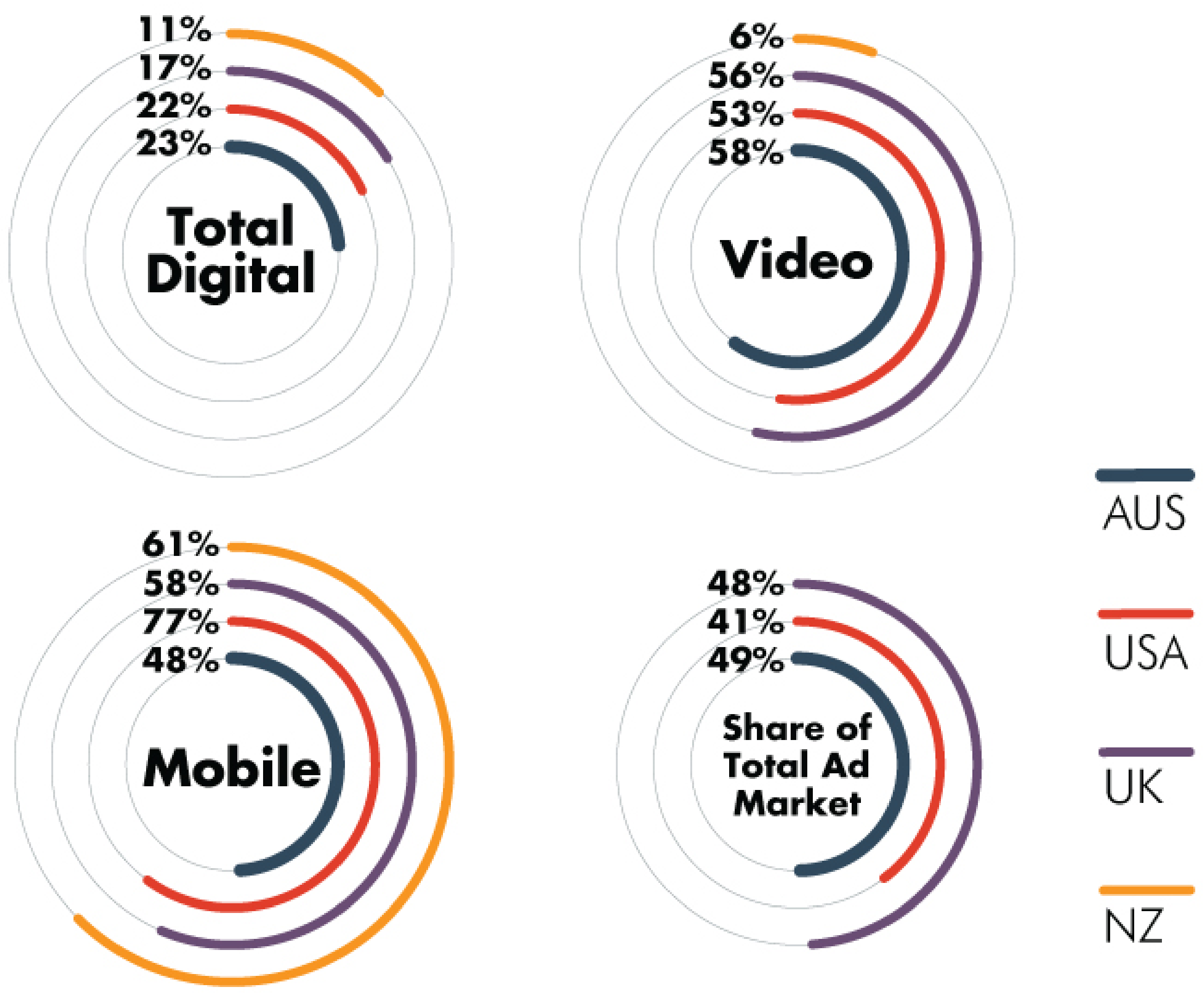
Digital Ad Revenue International Growth Comparisons

(Full Year Growth from CY 15 to CY 16)



Top 3 Advertiser Categories

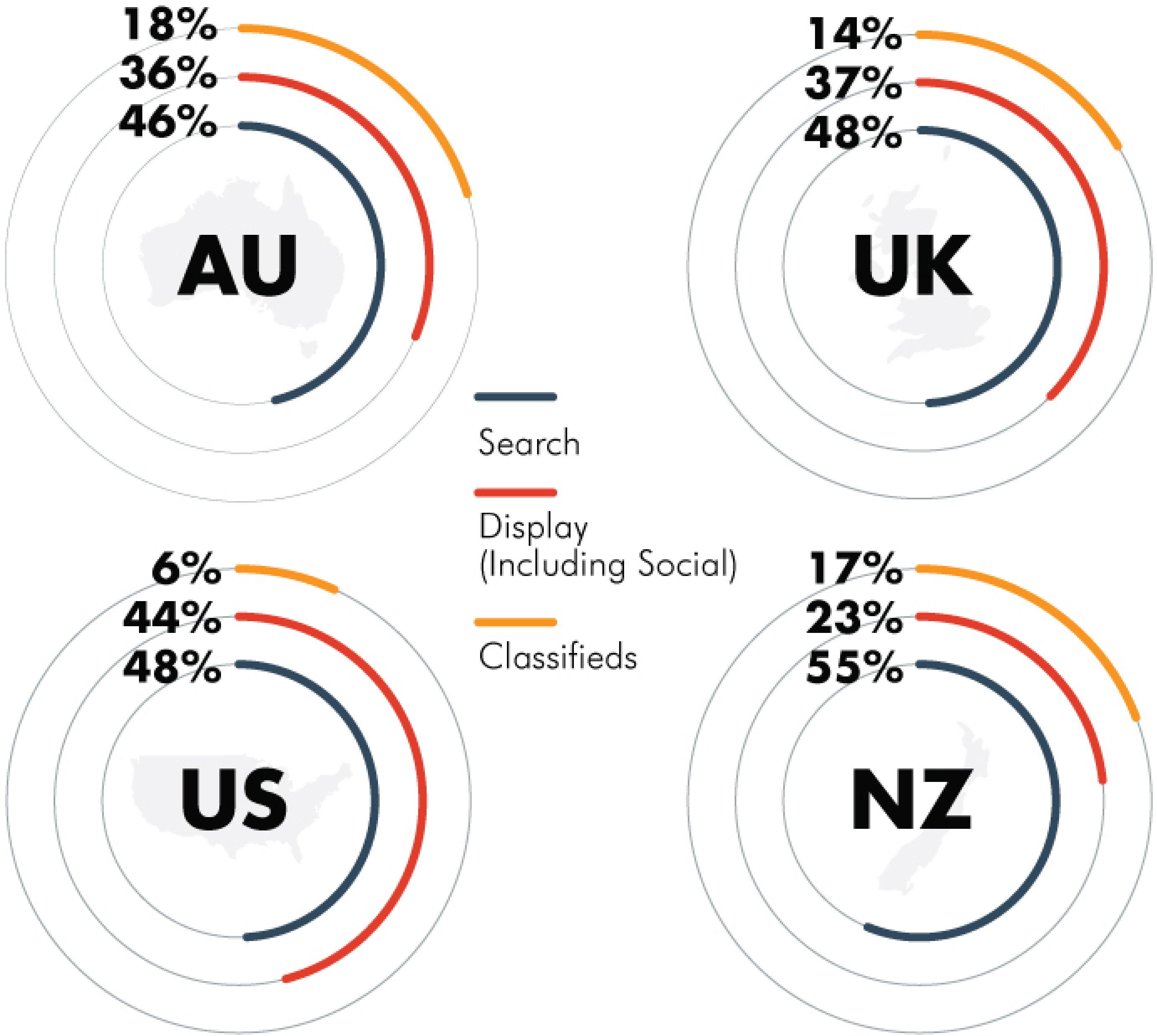
CY16

	AU	US	NZ
1	Automotive	Retail	Real Estate
2	Real Estate	Finance	Food
3	Retail	Automotive	Retail

Sources: IAB Australia; IAB US, IAB UK and IAB NZ

DISTRIBUTION OF DIGITAL MONEY CY16

1. Stronger market share for classifieds in both AU and NZ supported by successful local classified offerings
2. Search is the largest sector of the digital ad market in all key regions
3. Display market share has increased in most markets over the last 2 years due to growth in video and mobile display formats
4. NZ categorisation differs slightly from other markets with mobile sitting outside the three key revenue types, representing 5% share in 2016.



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