



AD BLOCKING & USER EXPERIENCE

Seven Recommendations to Reduce the Impact of Ad Blocking:

Insights from the IAB Ad Blocking and User Experience Summit

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Introduction

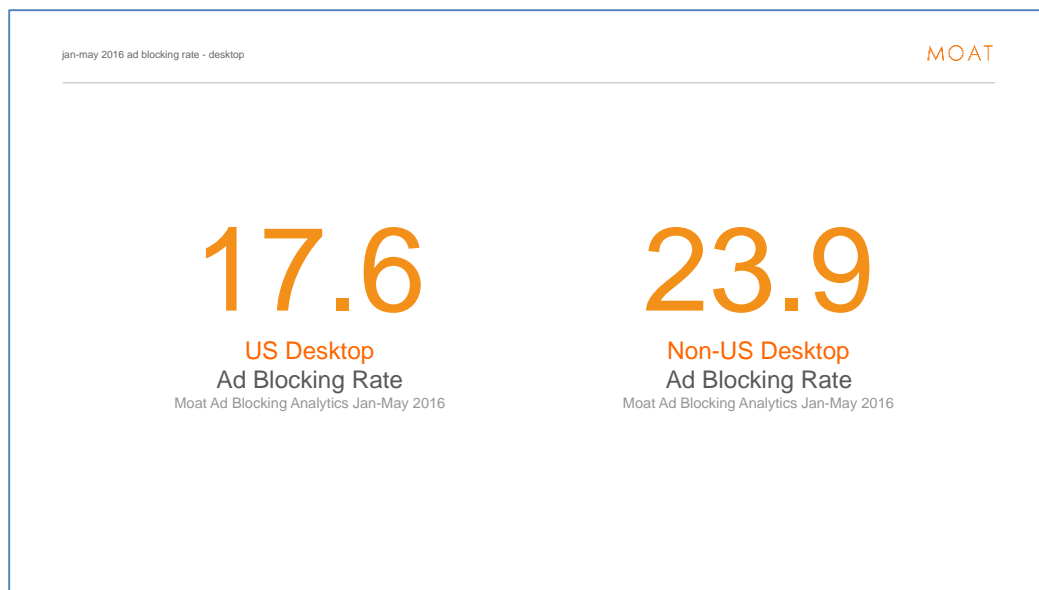
Ad blocking is a globally pervasive phenomenon presenting publishers, brands, agencies, and technology providers with substantial challenges.

IAB convened a summit on June 6, 2016, offering these constituencies the opportunity to provide each other with “news you can use.” Presenters offered research on ad blocking trends, insights into the issues underlying the phenomenon, and details about publisher-developed solutions and their effectiveness at converting ad blocking users into ad consumers. This report captures these recommendations so that the entire digital media community can benefit and thrive.

The Scope of Ad Blocker Usage

In the U.S., between January and May, 2016, ad blocking users blocked approximately 17.6 percent of all desktop impressions, according to Jonah Goodhart, Co-Founder and Chief Executive Officer of Moat. This figure is in line with the calculations by *Forbes*, which said 17 percent of its desktop users have ad blockers. This is nearly one-fifth of all desktop impressions, but there is good news. First, Goodhart said, this figure is flat. David Morris, Chief Revenue Officer of CBS Interactive, agreed: “We’ve seen it level off. That tells me: the people who are going to download an ad blocker have done so already,” he said. In mobile, the numbers are currently much smaller. Mark Howard, Chief Revenue Officer for Forbes Media, reported mobile ad blocking represents just 7 percent of *Forbes* mobile users.

Globally, ad blocking is significantly more prevalent. Moat estimated 23.9 percent of desktop impressions are blocked by ad blocking users. In China, for example, there are 150 million mobile consumers using ad blockers, compared to 14 million users for the U.S. and Europe combined, Goodhart said. Because consumer behavior differs greatly around the world, the conversation at the IAB summit focused primarily on the U.S. ad blocking phenomenon and solutions.



Central Challenges

On the surface, the dilemma presented by ad blocking to the digital media industry may seem black and white. Advertising only works if it reaches the consumer. Content on the internet is by and large financially supported by advertising, and this content can't be produced and provided free of charge if adjacent advertising doesn't reach the audience. Ad blocking is a problem that threatens to upend the business model that underlies the vast consumer choice for content and services available on the internet.

But it's more complex than this. First, ad block software providers are working to make a profit. They are attempting to divert marketers' advertising spend into their own pockets by offering to exempt their ads for a fee, while falsely claiming to act in the public good. The ad block profiteers' extortionist activities represent an attack on media diversity and business competition. It's an attack the digital media industry must not succumb to, for validating their business model will only encourage more for-profit ad blocking activity, further undermining consumer choice.

Second, the digital media and marketing industries have created part of this problem themselves by generating a complex, confusing, and bloated supply chain that has resulted in consumers who are unhappy and uncomfortable with advertising.

If there is any single motto that defines the internet era, it is: "The consumer is in control." Consumers are in control, and they are increasingly exercising that control to "just say no" to the advertising and advertising-related practices they consider inimical to their interests. If the digital media industry is to prosper long-term, building a positive user experience must trump tactics for short-term revenue gain.

The Way Forward

To overcome the phenomenon of ad blocking, marketers, agencies, publishers, and all parties in between must work together to resolve these delicate and difficult issues. As John Montgomery, Chairman North America of GroupM Connect, said, "We shouldn't point fingers. We should say, this is an industry problem. Advertising drives content, and without that our industry is broken. We really have to fix it together."

However, over the course of the day it became apparent that publishers must lead the charge. Practically speaking, publishers are the most financially affected by ad blocking, because marketers do not pay for most ads that have been blocked. The role of publishers as leaders in this endeavor is also predicated on the control they have over the presentation of the internet. As owners and operators of websites, publishers are responsible for implementing guidelines that protect user experience.

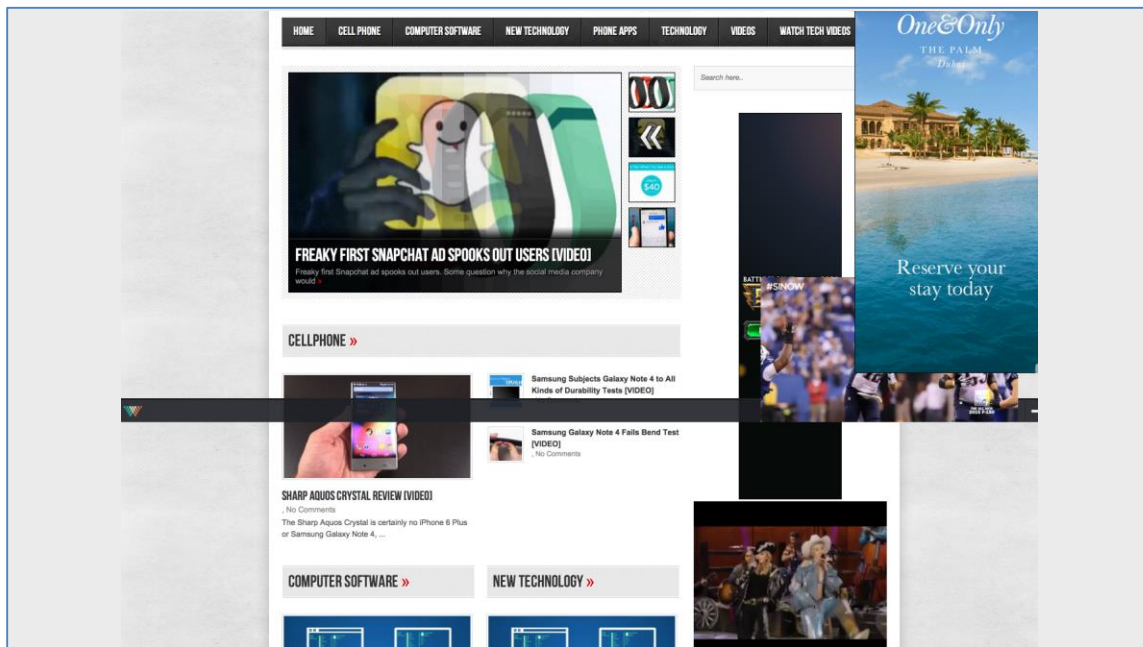
The IAB Ad Blocking and User Experience Summit was a deeply engaging and dense day of discussions that provided attendees with a broad perspective on the problems of and solutions to ad blocking. While there isn't yet one simple cure-all—publishers are still in a stage of testing, researching, and advancing solutions—seven recommendations came to the fore that will help publishers overcome the challenges they are facing.

Recommendation 1: Pay attention to overall user experience. Put consumers first.

Publishers, agencies, and everyone presenting at the event agreed: Annoying, frustrating, and otherwise poor user experiences drive the adoption of ad blocking. What's worse, any individual site that compromises user experience risks the user blocking all ads across the internet. Publishers—as well as the entire industry—must champion consumer needs in order to regain their trust and attention.

“In a world of phones and feeds, marketers need to think like programmers rather than as traditional advertisers—not trying to steal attention which is directed at something else, but offering consumers content which actually has value to them, in the right context and user experience,” said Mark Thompson, President and Chief Executive Officer of The New York Times Company.

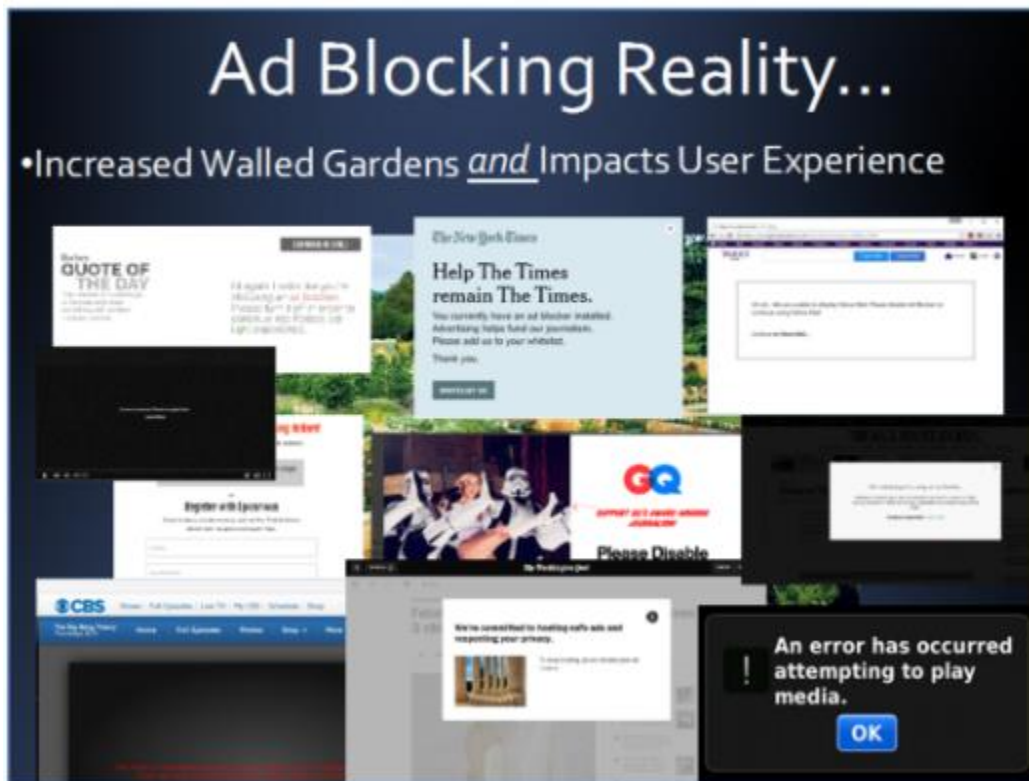
Jonah Goodhart of Moat demonstrated the type of poor user experiences threatening the digital media economy. This real-life screenshot shows ads overlapping each other and obstructing the content. John Montgomery of GroupM Connect colorfully highlighted “the wobbling belly fat and dancing mortgage monkey” as advertising that the industry intuitively knows consumers don't like.



These disruptive ads provide publishers with additional revenue short-term, but the resulting poor user experience takes it away long-term. Whether they're accepting fewer ads or reducing latency from heavy ads, some publishers have found that with less, comes more—more revenue, that is.

Often, the first step to improving user experience is listening to your users. Google, *Forbes*, CBS Interactive, and *The Washington Post*, for example, have all embarked on in-depth user research about the relationship between advertising and user experience, and all four publishers have made discoveries integral to improving their businesses. But one publisher's research does not always translate to other environments. Publishers should

conduct their own research to see what best suits their users. While the majority of audiences are frustrated by similar types of ads, user expectations and preferences also vary by the type of content on the sites themselves. The experience of users who have ad blocking software installed must also be considered.



The tide of consumers' goodwill will flow toward whatever experience most fully satisfies their interests. Publishers must deeply research the interests of their audience, listen to their needs, hear out their complaints, and provide an experience that can support both their business model *and* consumer happiness.

Recommendation 2: Avoid advertising proven to erode consumer experiences.

Publishers showcased extensive research into which ad formats and ad experiences drive user frustration. The worst offenders are ads that block content and ads that take user attention hostage before providing access to content. Publishers should avoid these types of ads, for the good of both their site and the industry as a whole.

59 percent of desktop users (surveyed) said they're "extremely concerned with online ads that get in the way of what I want to look at or read," with non-skippable 30-second pre-roll being an "absolute disaster."
– *Jed Hartman, The Washington Post*

By forcing users to see ads instead of content, publishers are reversing the mutual understanding between the digital advertising industry and consumers. Scott Spencer, Director of Product Management and Sustainable Advertising at Google, emphasized that content is a consumer's primary interest. If ads are becoming the primary type of content, then the value exchange is turned around for the consumer, he said.

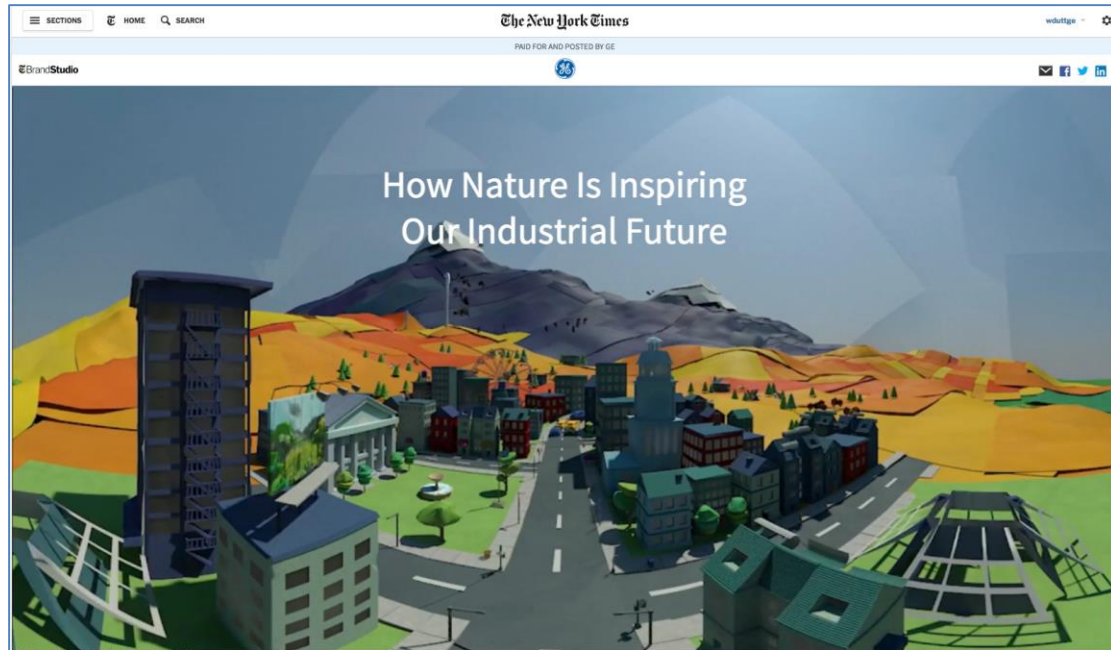
This reversal also erodes trust. Michael Smith, Senior Vice President of Revenue Platforms and Operations at Hearst Magazines Digital Media and Senior Vice President of Advertising Platforms, Core Audience at Hearst Corporation, said, "Every time we force people to see pop-ups, every time we show ads that are page takeovers, every time we offer native advertising without clear disclosure, and every time we show them a pre-roll video, we're forcing them to see it in order to see the video they want to see. When we present ads like that, we're telling users—in a pushy way—that we're in charge of how they engage with our content. In doing that we're trampling over their deeply felt personal boundaries. We are engaged in complex human relationships. The ad blocking issue depends fundamentally on trust."

Native advertising emerged as a good example of unobtrusive, contextually sensitive advertising. "We're at the beginning of a new era in advertising," said John Montgomery of GroupM Connect. "The era of us pushing advertising to consumers—in other words, interrupting their media experience—I think that will become more difficult as we go into the future. So those interruptive, invasive formats are probably going to reduce. The more native formats will probably increase."

Native advertising is contextually relevant to the user's experience of a site; the content can be as high quality as the existing content on the page; and it never blocks content, rather it can complement it. Because of these attributes, native advertising emerged as one possible antidote to the intrusive advertising environment.

Mark Thompson of The New York Times Company shared how his publication has been very successful with native advertising. "Our branded content business at *The Times* is all about creating and distributing high quality programming for marketers," he said. "It didn't exist in 2013. It delivered more than \$13 million of revenue in 2014, and \$34 million in 2015. We expect it to grow very substantially again in 2016."

Below is a screenshot of an animated film for GE produced by T Brand Studio, demonstrating the high-quality presentation of some native advertising pieces.



Publishers should consider advancing their efforts in native advertising, and they should continue to find methods for scaling this type of hands-on marketing content.

Recommendation 3: Prioritize speed to attract more users.

Additive revenue from advertising, and advertising-related supply chain services, can quickly become subtractive if it inspires users to turn on their ad blocker—or if it slows the site down.

Through in-depth research, SheKnows Media, a digital media company with 81 million unique visitors per month, discovered a direct link between page load time and revenue. The slower the page, the fewer impressions, the less income generated. The publisher supported this finding by calculating the impact of latency on a cost-per-second basis.

Michael Bendell, Vice President, Ad Technology of SheKnows Media, detailed his process at the summit. It began with introspection: ads took 16 seconds to load and content took 8 seconds, resulting in 24 seconds of load time. Improvement was needed. The team made an ambitious goal to drastically cut their page load time.

The first step was using Ghostery, a tool that reveals the “trackers,” originating from web pages. On average the team found 35-45 trackers resulting in a total of 150-300 outbound data calls. Upon analyzing the scripts, not all were related to advertising and some were obsolete. Other trackers were created by third-party vendors and contributed seconds to load time, with little revenue in return. There were also tags important to business operations but unfortunately heavy on the site.

After removing all questionable technologies from the main site templates, the SheKnows team compared the user data to a “normal” day. This led to a breakthrough:

With a five second increase in speed, SheKnows gained 2.3 ad impressions per page, making every second of load time worth \$3,500 of daily revenue.

With this data in hand, the SheKnows team evaluated every vendor from both a revenue and systems perspective, discussing the value exchange with internal stakeholders when necessary. After removing even more technologies from the site, site speed improved by half.

This concrete calculation of the relationship between latency and revenue demonstrates the power that publishers have to control the speed of their sites, as well as the financial value of providing better user experiences. Publishers should limit latency to improve the usability of their sites, and even their bottom lines.

Recommendation 4: Commit to LEAN Principles and a continuing cycle of improvements in user experience.

Consistently, presenters at the summit said that a commitment to LEAN advertising experiences would be a game-changer in the fight against ad blocking. A LEANer advertising experience would increase the likelihood of converting ad blocking users back to ad viewers and would prevent new consumers from choosing to block.

LEAN is a program launched by the IAB Tech Lab to help guide the next phases of advertising technical standards to promote usable experiences for everyone. LEAN stands for **L**ight, **E**ncrypted, **A**d-choice supported, **N**on-invasive ads. While LEAN standards are yet to be set, IAB has announced a public LEAN-scoring system that will rank publishers, advertisers, and by extension, agencies, on their adherence to LEAN principles. With an objective LEAN score, the industry will have a mechanism for driving continuous improvements in user experience.

LEAN scoring—still in development—is expected to rate advertising by at least six criteria: file size; ad load time; whether it has HTTPS encryption; if it utilizes the Ad Choice icon; skip-ability at 15 seconds or less; and if the page calls ads in a way that blocks the loading of content. These scores would be used in ad calls, so publishers can ask for ads achieving specific LEAN scores, propelling the improvement of user experience across the internet.

Many presenters urged the industry to develop the LEAN standards quickly to begin applying and benefitting from these principles. “LEAN will equal better and better beats blocking. It has to. The future of our industry depends on it,” said David Morris of CBS Interactive.

With LEANer ads, impressions, time on site, and viewability increase. *Forbes* has innovated by developing an ad-light alternative for users who turned off their ad blockers. Mark Howard, Chief Revenue Officer of Forbes

Media, revealed findings from resulting research: The users of the lighter advertising experience were more engaged with the site than those who viewed all of the ads. They spent an average of 177 seconds on site, up from 82 seconds, which is a 115% increase in session duration. In addition, while bigger, less-LEAN files were more engaging, those measuring 970x250 and 2MB showed a 5.5% decrease in view rates, compared to 1MB ads of the same dimensions.

The biggest win, however, may be what happens when LEAN is paired up with DEAL.

Recommendation 5: Offer ad blocking users LEANer advertising experiences in exchange for turning off ad blockers through DEAL.

Publishers are increasingly asking users to turn off their ad blockers in return for consuming their content. This is the central action in the DEAL program established by IAB.

DEAL stands for:

- **D**etect ad blocking, in order to initiate a conversation
- **E**xplain the value exchange that advertising enables
- **A**sk for changed behavior in order to maintain an equitable exchange
- **L**ift restrictions or **L**imit access in response to consumer choices

The IAB Tech Lab has developed and supplied publishers with an [open-source ad blocking detection tool](#) to empower all publishers to implement the first step in the DEAL program. IAB has also published a [primer](#) outlining seven DEAL tactics currently in use.

At the summit, presenters agreed on one tactical point: If consumers are asked to turn off their ad blockers and are once again disrupted and frustrated by advertising, they will not be converted to re-consume advertising. The key to effectively converting ad blocking users for the long term—and rebuilding the trust between consumers and advertisers, is LEANer advertising experiences. As Scott Spencer of Google said, this is essential to solving the ad blocking problem in a more permanent way. “If you ask someone to whitelist and then give them back really annoying ad experiences, they’re just frustrated,” he said. They’ll do it if they really want the content, but that’s not solving the problem. “Whereas, if we fix the advertising experience by really understanding what’s going on, then we reduce that demand. [Users are] happy to do whitelisting process because they understand at the end of the day they’re not going to have a bad experience,” he said.

Mark Howard of Forbes Media proved this works. Through a content-blocking interstitial, ad blocking users were offered a light advertising experience in exchange for whitelisting *Forbes*. *Forbes* defined its ad-light experience as: file sizes under 500kb, secured tags, a maximum of two verification pixels, and no in-banner video or expandable units.

By offering visitors an ad-light experience in exchange for turning off their ad blockers, *Forbes* achieved a conversion rate of 44 percent, a figure equal to more than 8 million unique users.

If you give users a valuable and enjoyable ad-light user experience, they will happily accept it. However, the right value exchange for one publisher may not be right for another. Publishers have tested variations in language, in notice dismiss-ability, in approach to the value exchange, and more in the hunt for the right strategy for their site.

Forbes, *The Washington Post*, and CBS Interactive have done this kind of in-depth work and graciously shared some of their experiences at the summit.

Forbes tested three types of DEAL messaging:

1. *Forbes* asked the user to disable the ad blocker in a dismissible message, in exchange for an ad-light experience. At this stage, only a portion of the ad blocking users was asked to disable their ad blockers. This partial application was implemented so *Forbes* could research the behaviors of different types of users: the converted, ad blocking users, and non-ad blockers.
2. *Forbes* asked the user to disable the ad blocker or take a survey before entering the site. In this case, 55% percent of survey respondents continued to the site.
3. *Forbes* offered social logons to corporate users who may be inadvertently blocking ads due to their employer's firewall. This tactic supplied *Forbes* with valuable social data.

The Washington Post experimented with its value exchange communications using five variations of DEAL messaging:

1. Ad blocking users were asked to enter their email addresses to receive a 6-month digital subscription and daily newsletter. No users disabled their ad blockers, because they were not told this was the reason they were receiving the message.
2. Ad blocking users were asked to enter their email address in order to "unlock" the article they wanted to read. This time, they were told they were receiving this message because their ad blocker was on. This had the highest rate of conversion.
3. Users received a dismissible message asking them to turn off their ad blockers, and ensuring them *The Washington Post* respected their privacy. No users disabled their ad blockers.
4. Ad blocking users were asked to subscribe in a non-dismissible message.
5. Users were asked in a non-dismissible message to disable their ad blocker or whitelist the site. In this case, a small percentage of users disabled their ad blockers.

CBS Interactive subscribes to a philosophy that Chief Revenue Officer David Morris calls "fair value exchange," which refers to free premium content in exchange for the publisher's right to serve an ad with that content. For

example, he said, a 30-second ad in return for a 10-15 minute video is a fair value exchange. But a 30-second ad on a 10-second video *clip* is not.

The DEAL equivalent would be: A DEAL message is fair for users consuming multiple pages or committed to spending time on the site. But if someone is visiting the site for one piece of data and they get a DEAL message, they'll likely go back to the search engine and select another site.

For certain sites, Morris said, DEAL messaging just wouldn't work. But in some cases, it's a resounding success. CBS.com, CBSsports.com, and CBSNews.com will absolutely not give ad blocking users access to video content unless they turn their ad blockers off. These sites broadcast long-form, high-quality content.

Publishers should test out variations of DEAL messaging to determine the approach that is most effective for their content and their audiences' expectations.

Recommendation 6: Consider ad reinsertion tactics carefully.

Ad reinsertion is a deeply divisive topic. Agencies at the event, such as GroupM, proclaimed ad reinsertion as highly detrimental to user experience. But publishers reported having success with it.

For example, John Montgomery of GroupM had stern words for ad reinsertion. "GroupM will probably come out and say that we won't pay for reinserted ads as long as we can detect them," he said. For advertisers who want to override ad blockers, another executive from GroupM had this to say during a Q&A session: "Do you want to be the first advertiser a user sees after turning on an ad blocker?" Brand image and brand equity are topics of concern, the agency said.

On the other hand, some publishers have been testing ad reinsertion options. The general philosophy supporting ad reinsertion is this: because ad blockers are letting ads through, they themselves are "reinserting" ads, and users who block ads are seeing ads anyway. By doing this themselves, publishers are in effect reasserting control of their revenue making efforts and not significantly impacting their users' expected advertising experiences.

So how should publishers make sense of this debate? With research. Publishers should explore their consumers' expectations and tolerances before deciding how to move forward with ad-blocking blocking technology.

Recommendation 7: Talk with clients and partners about the need to protect positive advertising experiences—now.

Publishers must avoid displaying ads with highly intrusive characteristics. As a result, publishers must initiate a dialog with their agency contacts and others about supplying advertising that meets their audiences' standards of acceptability.

Mark Howard of Forbes Media and Jed Hartman of *The Washington Post* described their first-hand experiences of these talks. Howard said he has found it challenging to attract inventory for *Forbes'* ad-light experience, even though it provides better user experience and more viewability. Part of the problem is publishers' point of contact. "When we first started offering this ad-light experience, and taking it to advertisers and to the media agencies, the first couple passes, the response back was 'Well, that's the creative's job,'" he said. The separation of responsibilities between media agencies and creative agencies is a potential obstacle to serving LEANer advertising experiences.

Hartman told the tale of a "big spender" who asked the site to run an ad that basically turned off the homepage unless the user engaged with the ad. "We called the advertiser and said, 'Would you like to be the last brand users see before enabling an ad blocker?' That resonates...That's the biggest conversation," he said. "The most powerful thing is simply, 'No.'" Hartman also recommended having challenging conversations as early as possible in the sales cycle. For example, his team built a viewability predictor so they could talk to advertisers about foreseeable viewability problems in advance, rather than reporting failure after the fact.

On the bright side, GroupM may be expecting exchanges like these. John Montgomery noted that publishers have the responsibility to turn down advertising that doesn't fit, and that advertisers and marketers have a responsibility to make ads that load faster, to comply with size restrictions, and not to over-tag. "It's necessary for us to have those requests, but [advertisers] need to be told what the limit is," he said.

These experiences speak loudly that improving user experience and ultimately resolving the ad blocking dilemma requires the cooperation of the entire supply chain. The entire digital media ecosystem must work together—and be sensitive to each other's needs—in order to be more sensitive to consumers' needs.

Conclusion

Publishers have the opportunity and the responsibility to take the lead and reduce the number of users who ad block, but they cannot do it alone. Advertisers, creative agencies, and media agencies must be prepared to provide advertising experiences that do not obstruct the users' experiences with the content they desire. A concrete step forward would be to set clear and universal LEAN standards and scoring. This advancement should be followed by a formal LEAN accreditation and audit processes, with mechanisms for managing issues and compliance, said Mark Frost, Founder and Managing Partner of Strategic Ink, a business that creates wargames for organizations and did so around ad blocking for IAB, the Association of National Advertisers (ANA), and the American Association of Advertising Agencies (4A's).

Addressing the challenges with ad blocking isn't a war with consumers. Nor is it solely an issue of educating consumers about the business model. Nor is it about carefully guiding people through the process of whitelisting sites.

Seventeen percent of impressions blocked means a seventeen percent loss of revenue for publishers in the U.S.; it means those consumers do not trust advertisements so intensely that they've chosen to trust lesser-known third-party software providers to adjust their entire web browsing experience. With the numbers of ad blocking users

even higher around the globe, this is a call for internet-wide improvement. It is time for change. The entire industry must unite to improve the user experience of the internet, and to sustain this valuable economy that supports worldwide access to information and freedom of expression.

The Solutions Provider Perspectives

Premier Sponsors & Marketplace Presenters:



These three companies presented at the IAB Ad Blocking & User Experience Summit.
Here are their perspectives on the challenges our industry faces.

Strategies to Help Publishers Combat Ad Blocker Revenue Loss (by Mirror Image)

Ad blocking has become such a high priority issue in the industry that we now see C-level executives at tier one publishers taking time out of their busy schedules to speak specifically about the topic.

What is clear is that there is no one “silver bullet” that publishers can use to stem the significant—and growing—revenue losses caused by ad blockers.

A pragmatic first step for publishers is to measure and understand the prevalence and impact of ad blockers on their properties. Once they understand the dynamic and have a baseline, there are a variety of tactics that they can employ to reduce the revenue loss, including LEAN, DEAL (which includes messaging users to whitelist their website), fewer ads, an ad-light experience, better page load performance, and others. IAB has published a comprehensive review of the various tactics in their [Ad Blocking Primer](#).

One powerful tactic that publishers can employ is referred to as “on-server ad reinsertion.” This capability enables publishers to selectively override the actions of the ad blockers, by making all of the ad calls and creative originate from the first party (publisher’s) domain. Essentially, the ad calls and the ads appear to the ad blockers like native website content, and they are not detected or blocked.

On-server ad reinsertion can be an important component of a publisher’s overall strategy to counteract the ad blockers, especially when used in conjunction with other tactics. For example, a publisher may have very high quality, high CPM creative that is tightly integrated with the website experience. While this type of creative is clearly a best practice, unfortunately visitors with ad blockers will never see the creative. And in many cases, the websites actually look worse if this content is blocked. Some publishers are employing DEAL (messaging users about the value exchange), while—in parallel—also unblocking just these tightly integrated high quality ads, ensuring that they can monetize every visitor to some degree as part of a multi-pronged strategy to reduce the prevalence of ad blockers on their website.

[Ad Block Override](#), a product of [Mirror Image](#), enables publishers to easily quantify the prevalence of ad blocking and the corresponding revenue loss, provides tools that enable publishers to message their visitors to whitelist their site and explain the value exchange, and provides powerful, seamless on-server ad re-insertion functionality to enable publishers to selectively override the ad blockers for specific ads, ad partners, or their entire ad inventory.

For more information, visit www.adblockoverride.com

Ad Blocking: The People Have Spoken and We Listened (by The Media Trust)

IAB's inaugural Ad Blocking and User Experience Summit highlighted three undeniable truths:

1. Consumers are irritated by intrusive, data-collecting ads
2. Publishers and ad tech providers lack visibility into and control of what flows through their advertising ecosystems
3. Agencies/buyers want to understand their role and do their part

Everyone agrees: ad blocking is a serious concern for publishers, ad tech providers, agencies, and brands. However, what can be done about it?

Delivering a clean user experience while balancing ad revenue objectives is difficult to accomplish in today's fast-changing environment. Ongoing performance issues, poor creative quality, and a lack of realistic industry best practices leave publishers and ad tech providers vulnerable to revenue-impacting events—audience loss, regulatory violations, interrupted campaigns, reputational/brand damage, and more.

Fix The Problem

Different groups have tested different approaches to ad blocking with some success. From ad block detection and white list request to ad evasion and ad reinsertion, these activities fail to address the root of the problem.

Consumers chose to block ads that ruin their overall website experience. The primary reasons cited include annoying creative, slow website performance, invasive personal data collection, and security concerns. But, all hope isn't lost. Research reveals that many ad block users are not "hard core" in their "anti-ad stance" and are open to viewing ads.

All players in the digital ecosystem have a role—and best interest—in fixing the problem. Publishers need to appraise and control what renders on the browser. Ad tech providers need to better qualify the ads they serve. Agencies—and the advertisers they represent—need to QA and verify creative at campaign outset and continuously work to deliver cleaner ads.

It's time to get SMART

Fortunately for you, The Media Trust has a SMART solution to support the efforts of each participant in the digital advertising ecosystem. SMART is a holistic creative quality assurance solution designed to detect and remediate ads that are detrimental to the user experience.

By providing the metrics to evaluate ads according to industry best practices, processes to remediate violations, and mechanism to pre-certify creative when initially placed into the ad ecosystem, SMART is the first step in stemming the ad blocking tide. How can you assure acceptable ads? You need to be SMART.

How to Solve the Mobile User Experience Challenge (by Teads)

Users are fighting back against forced and intrusive ads, especially on mobile devices. To provide the best user experience, we must understand why users are blocking ads, what the user wants and which formats captures users' attention.

Why Users Are Blocking Ads:

Research from Teads shows intrusive advertising is the largest motivator for installing ad blockers, but consumers would reconsider if they were given a choice about their ad experience. On mobile, 78% of users find ads on mobile to be more intrusive especially ads that take over the screen and unskippable ads.

The ads users find the most intrusive and forced are:

- Ads that cover the screen
- Unskippable video
- Ads that remain on the screen as you scroll
- Auto-play audio from the beginning

What Users Want:

Consumers want freedom of choice on mobile. Users do not want ads forcing themselves onto the page, especially when the screen is smaller.

Features that may motivate those who are considering downloading ad blockers to not install them are:

- Ability to skip from the beginning
- The option to close an ad
- Ability to skip after 5 seconds
- Ability to scroll past a video ad
- Ability to turn off the sound

The Formats:

Over 1 in 2 users consider pre-roll ads more intrusive than native video ads on a mobile device. Teads conducted an eye-tracking study to determine user engagement with video ads in social feeds, in-article native video, and skippable pre-roll.

- **Video ads in social feeds:** 61.7 percent of respondents viewed the ad for 3.3 seconds. Users are nearly 30 percent less likely to see an in-social video ad vs in-article native.
- **In-article native video:** 87.6 percent of respondents viewed the ad for over 4 seconds on average. Premium content environments drive a slower scroll rate increasing user engagement with native video ads.
- **Skippable pre-roll:** 98.3 percent of respondents viewed the ad for 7.8 seconds. However, of those views, 86 percent of respondents were staring at the skip button not the ad. 3 in 4 users skipped the ad and when accounting for the 5 seconds of forced view, skippable pre-roll actually only resulted in 2.8 seconds of engagement.

A better user experience means less adoption of ad blockers, more effective ads, and higher purchase intent. When compared to video ads in social feeds and skippable pre-roll, in-article native video ads have the highest positive impact on purchase intent.

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Jonah Goodhart, Co-Founder and CEO, Moat

Jed Hartman, Chief Revenue Officer, *The Washington Post*

Mark Howard, Chief Revenue Officer, Forbes Media

John Montgomery, Chairman, North America, GroupM Connect

David Moore, President, WPP Digital; Chairman, Xaxis; Chairman of the Board, IAB Tech Lab

David Morris, Chief Revenue Officer, CBS Interactive

Randall Rothenberg, President and CEO, IAB

Michael Smith, Senior Vice President of Revenue Platforms and Operations, Hearst Magazine Digital Media;
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Scott Spencer, Director, Product Management, Sustainable Advertising, Google Inc.

Mark Thompson, President and CEO, The New York Times Company