



Ad Blocking: The Consumers Perspective

November 2016

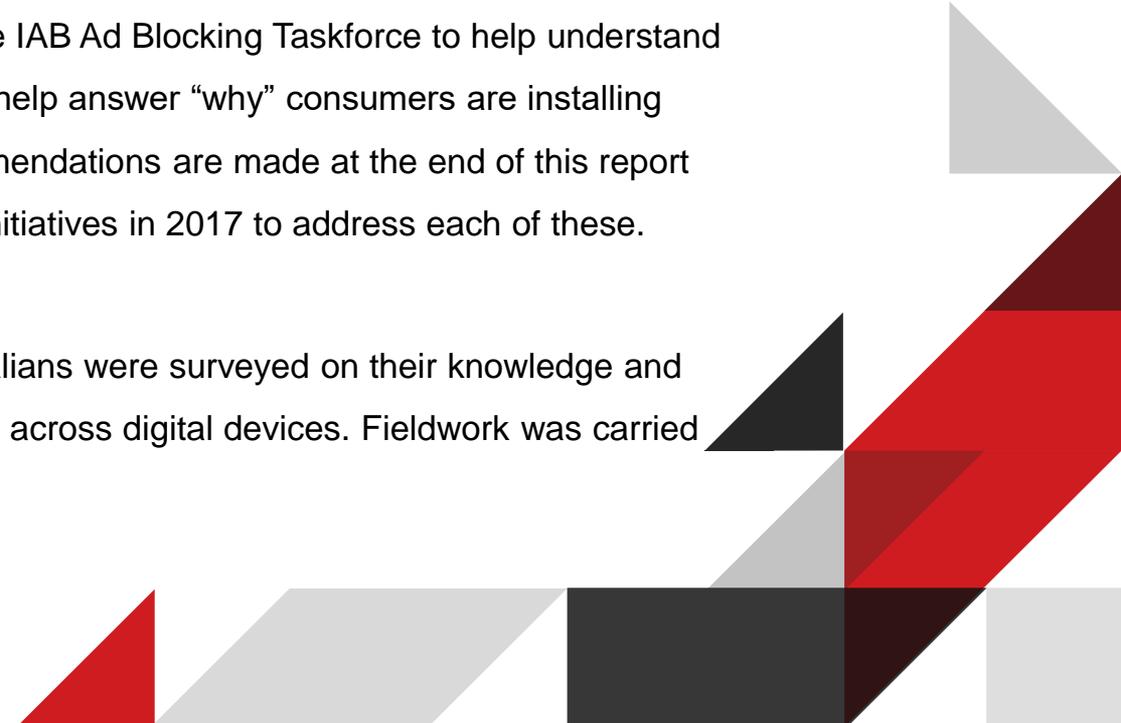




Background & Methodology

Ad blocking has had a lot of attention in the media and marketing industry over the last couple of years and lot of assumptions have been made as to the state of ad blocking in the Australian market as well as a myriad of different data points in market. This study been run by IAB Australia, Pureprofile and supported by the IAB Ad Blocking Taskforce to help understand the scale of ad blocking and more importantly help answer “why” consumers are installing blockers on different devices. Industry recommendations are made at the end of this report and the Ad Blocking Taskforce will be driving initiatives in 2017 to address each of these.

A representative sample of 1,864 online Australians were surveyed on their knowledge and experience regarding ad blocking technologies across digital devices. Fieldwork was carried out in October 2016.

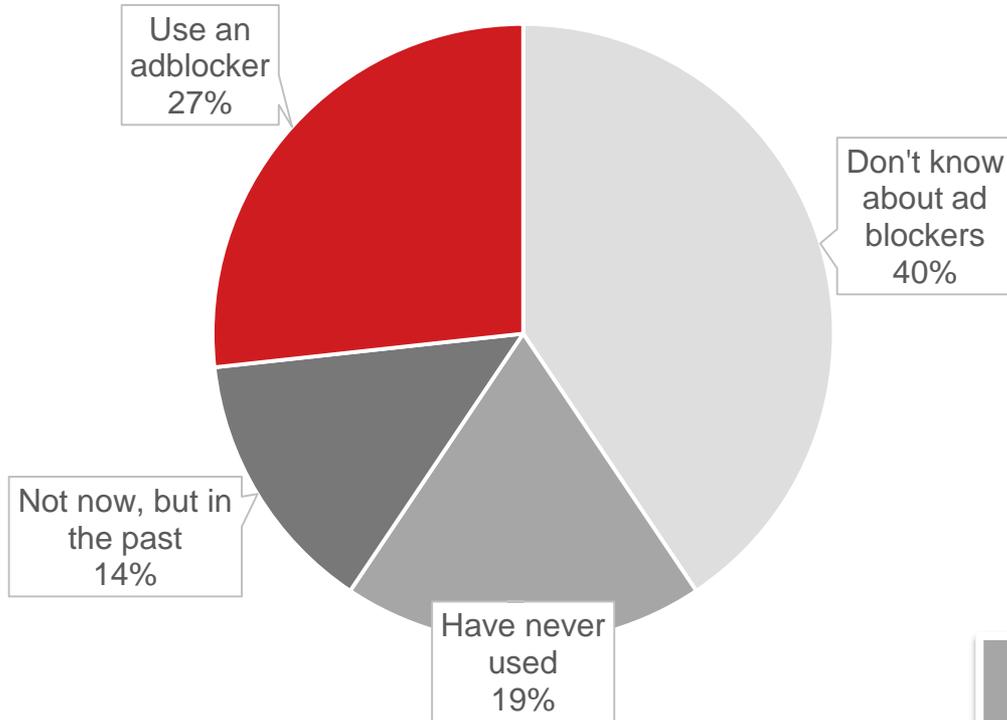
A series of overlapping geometric shapes in red, grey, and black, including triangles and rectangles, arranged in a stepped, upward-sloping pattern on the right side of the page.



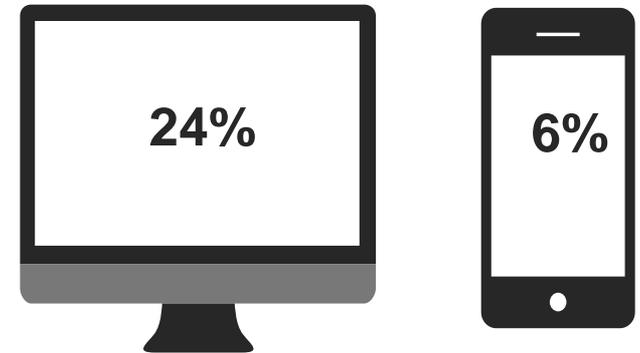
EXECUTIVE SUMMARY

- 27% of Australian internet users have an ad blocker installed on one of their devices. This penetration is similar to the U.S. and slightly higher than the U.K.. Only 6% of people use an ad blocker on their smart phone.
- 4 in 10 Australians are not aware of ad blocking technology.
- Likelihood to use an ad blocker declines in age, as does knowledge about this technology. As in other markets, the group most likely to use an ad blocker are young males.
- 14% of people have used an ad blocker in the past and no longer do so. Reasons vary, however, a strong desire to access particular content is the number one driver.
- The No.1 primary driver for ad blocking usage indicated by consumers is to avoid viruses. Not surprisingly, annoyance at the volume of ads is also a major driver as well as the impact of ads on page load.
- 7 in 10 people have been asked by a site to turn off their ad blocker to gain access to content; of these 62% have taken an action after a site request (turned off or deleted blocker, whitelisted site).
- Many consumers are open to modifying their ad-blocking habits with the right communication from websites or reassurance around virus protection.

FOUR IN TEN ARE NOT AWARE OF AD BLOCKERS



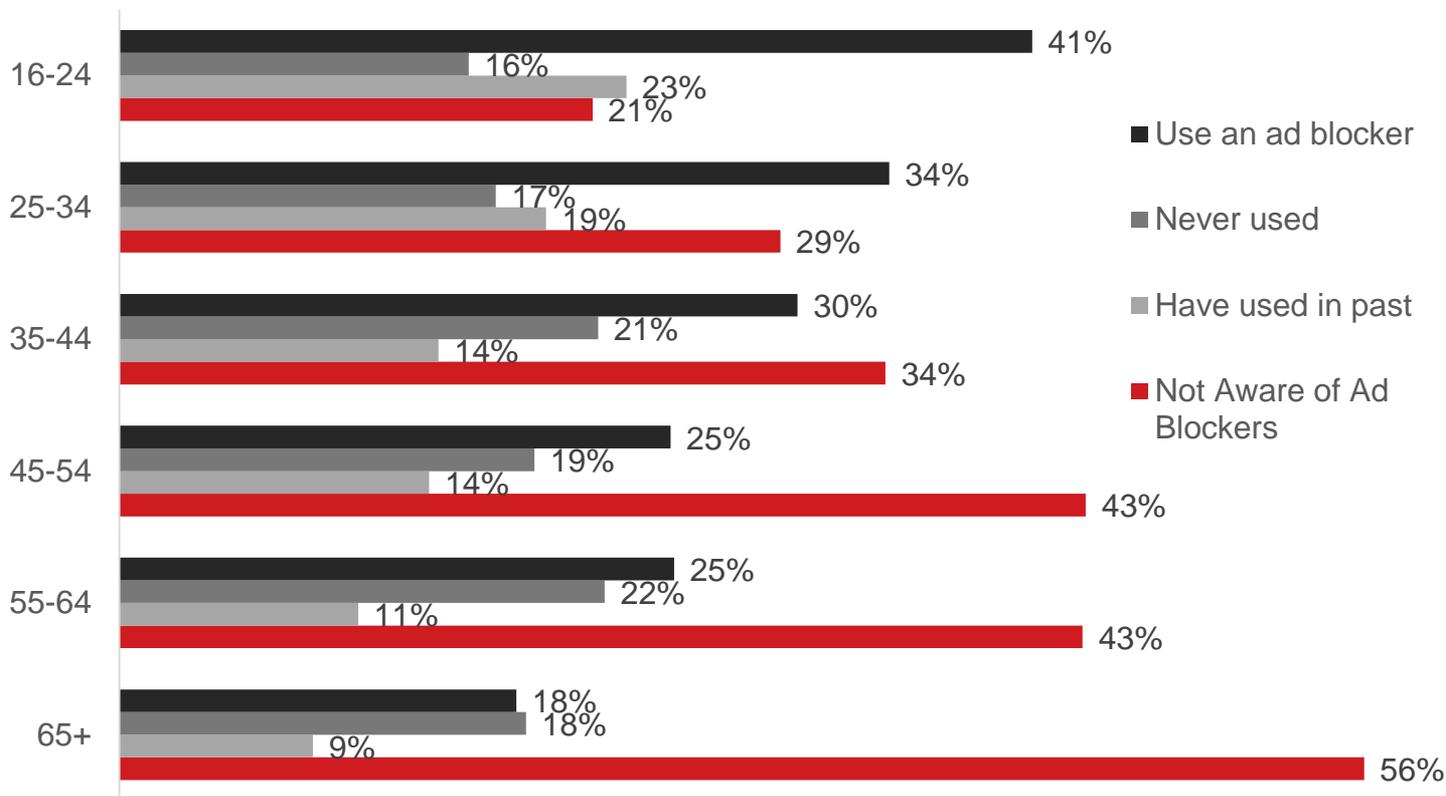
Ad Blocker Usage By Device



Just under a quarter of people use an ad blocker on their desktop or laptop, while only 6% use one on their smartphone.

KNOWLEDGE & USAGE OF AD BLOCKERS DECLINES WITH AGE

- While four in 10 people aged between 16 & 24 use an ad blocker, only just over a fifth of people aged 55+ have one installed.
- Nearly a quarter of younger people (16-24) no longer use an ad blocker.
- Males are more likely than females to use ad blockers (34% vs. 22%).



Base: all participants, n=1,864

WHAT CAN WE LEARN FROM EX-AD BLOCKERS?

Why do you no longer use an ad blocker?

Ad blocker prevented me from seeing content	28%
Ad blocker slowed down browsing	25%
Kept seeing messages to turn off ad blocker to see content	19%
Realized ads on sites don't bother me	16%
Just wanted to try ad blocker	15%
Accidentally removed ad blocker	14%
I wanted to see some ads	13%
Realized sites make money from ads	9%
Ads are now more relevant /targeted for me	9%
Realized ads are safe from virus	4%

There are a variety of reasons people no longer use ad blockers, with the desire to see blocked content highest on the list.

WHY DO PEOPLE USE AD BLOCKERS?

Most people have multiple reasons for using an ad blocker with the volume of ads the most likely reason to be in the mix, however the top primary reason is the fear of getting a virus.

ALL REASONS	
Just too many ads on sites	61%
Ads are disruptive	59%
Don't like ads that target or follow me	52%
Ads slow down browsing experience	51%
Ads slow down page load times	49%
Afraid of getting a virus	45%
Ads distract from browsing experience	44%
Sites are easier to navigate without ads	41%
Sites are visually pleasing without ads	35%
More privacy on internet	32%
To conserve data	20%
Don't trust technology to serve ads	17%
Everyone I know uses ad blockers	11%

PRIMARY REASON	
Afraid of getting a virus	20%
Just too many ads on sites	16%
Ads are disruptive	12%
Ads slow down page load times	9%
Don't like ads that target or follow me	7%
Ads distract from browsing experience	7%
More privacy on internet	7%
Ads slow down browsing experience	6%
Sites are easier to navigate without ads	4%
Sites are visually pleasing without ads	4%
Don't trust technology to serve ads	3%
To conserve data	3%
Everyone I know uses ad blockers	2%

TOP 5 - PRIMARY REASONS FOR USE BY AGE

16-24

Too many ads on sites

Ads are disruptive

Afraid of getting a virus

Don't like ads that target or follow

Ads slow down page times

25-34

Afraid of getting a virus

Too many ads on sites

More privacy on Internet

Sites are easier to navigate

Ads are disruptive

35-44

Afraid of getting a virus

Too many ads on sites

Ads are disruptive

Ads distract

More privacy on Internet

45-55

Afraid of getting a virus

Ads are disruptive

Ads slow down page load

Ads distract

Too many ads on sites

55+

Afraid of getting a virus

Too many ads on sites

Don't like ads that target or follow

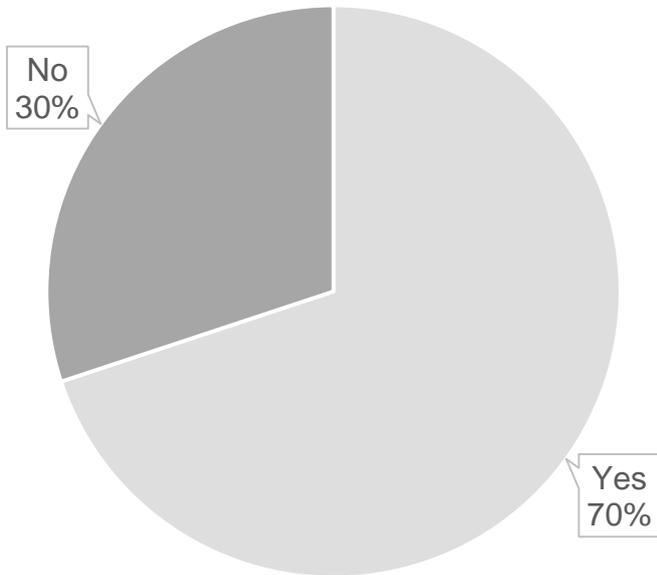
Ads slow down page load

Ads are disruptive

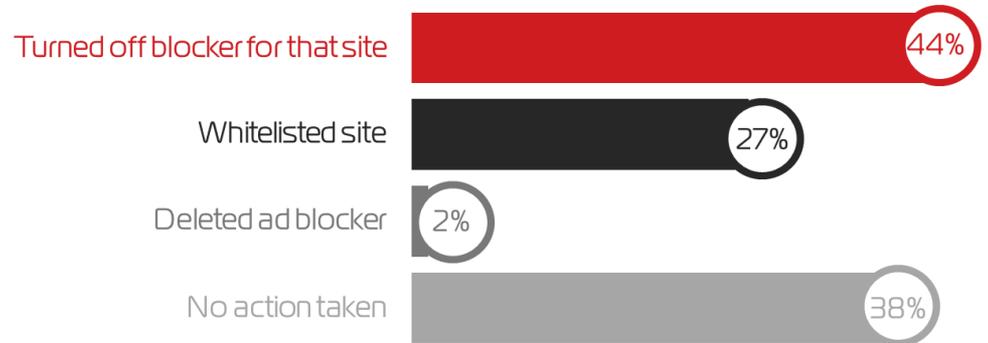
Reasons for using an ad blocker differ by age, however, the No. 1 primary reason for all age groups, apart from the 16-24 age group, is fear over viruses.

IMPACT OF COMMUNICATION

Have you been asked by a site to turn your ad blocker off?

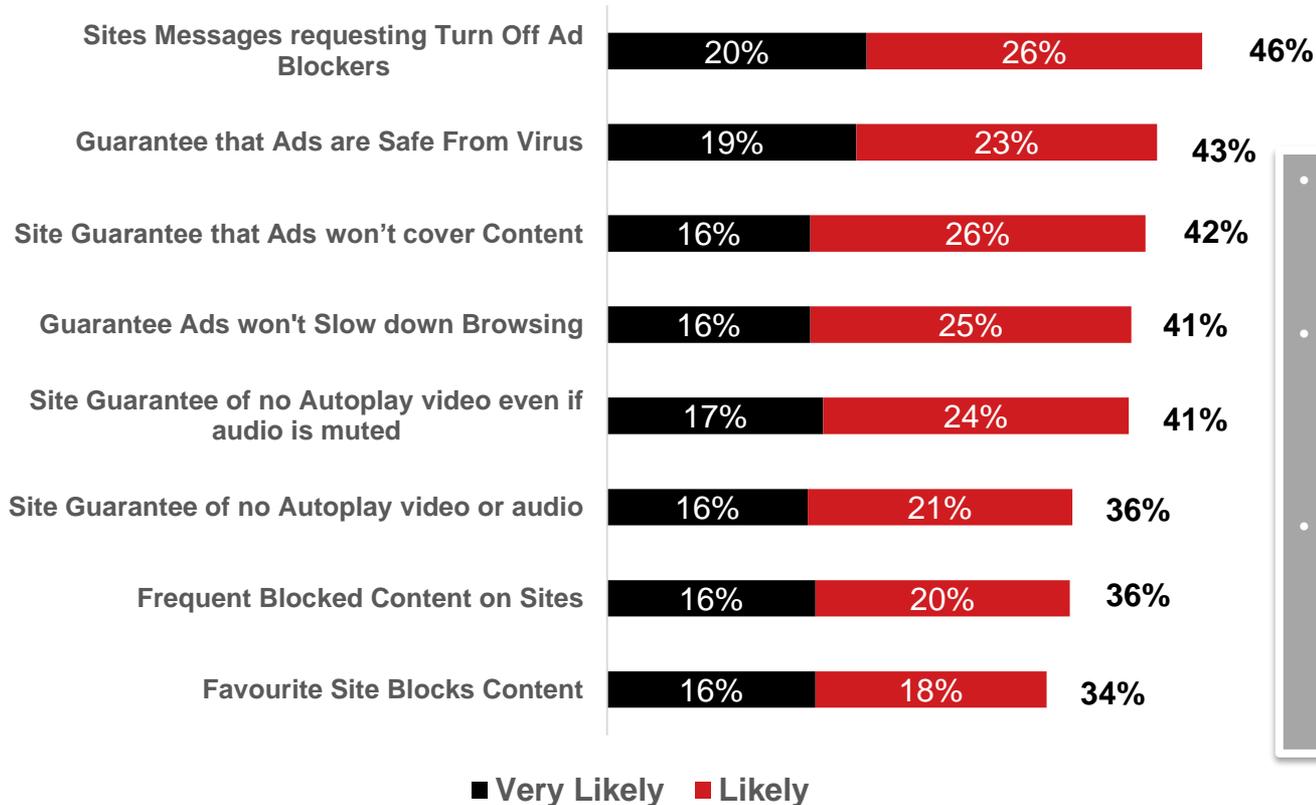


Have you ever done any of the following when asked by a website?



People under 35 are more likely to have temporarily turned off their blocker or whitelisted a site, suggesting more education of ad-blocker tech may be needed for older age groups.

WHAT WOULD INFLUENCE YOU TO STOP USING AN AD BLOCKER?



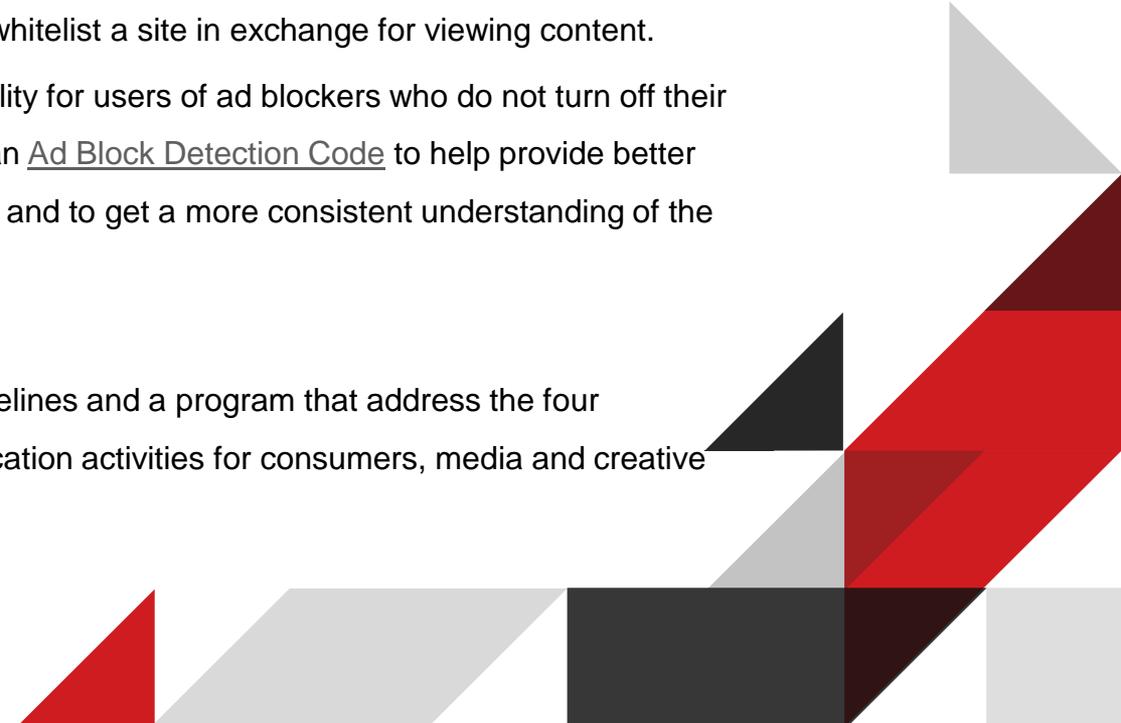
- Messages from trusted sites can influence ad-blocking usage.
- People under 35, particularly the 25-34 age group, are more open to changes in their ad-blocking habits.
- Educating and safeguarding users from ads that are infected with malware/viruses should reduce the number of using ad blockers.



HOW TO WIN THEM BACK

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 about ad blocking and to get a more consistent understanding of the scope of ad blocker usage.

The Adblocking Taskforce is now working on Guidelines and a program that address the four recommendations, as well as general market education activities for consumers, media and creative agencies.



IAB Australia Ad Blocking Taskforce

This taskforce comprises IAB Australia members from the following organisations:

Carsales, Celtra, Fairfax Media, Google, Ikon, News Corp, Nine Entertainment Co., Sizmek, Telstra, Yahoo7 and Zenith Optimedia

About the Interactive Advertising Bureau

The Interactive Advertising Bureau (IAB) Limited is the peak trade association for online advertising in Australia & was incorporated in July 2010. As one of over 43 IAB offices globally, and with a rapidly growing membership, IAB Australia's principal objective is to support and enable the media and marketing industry to ensure that they thrive in the digital economy. The role of the IAB is to work with its members and the broader advertising and marketing industry to assist marketers to identify how best to employ online as part of their marketing strategy, to better target and engage their customers and build their brands.

About Pureprofile (ASX: PPL)

Pureprofile is a data, insights and programmatic media company. It sits at the heart of where programmatic media, big data and quantitative research converge. Through its deep connection with real people, Pureprofile delivers the next generation in marketing solutions for brands, publishers and researchers.

