2016 NewFronts

2016 IAB Video Ad Spend Study

April 2016
Methodology, Profile and Ad Categories

Method
- All interviews conducted online
- Incentives include cash and sweepstakes entry

Timeframe: March 14 – March 25, 2016

Sample: Marketer & Agency contacts from The Advertiser Perceptions Media Decision Maker Database, and third-party databases as needed.

Qualification:
- Involved in Digital Video Advertising Decision-Making
- $1M+ Total Annual Ad Spend

Note: Throughout the report ‘Original Digital Video Content’ refers to programming (not advertising) that is professionally produced specifically for digital/online consumption.

New For 2016: Updated and Added Questions to Parse Digital Video and Mobile Video Trends

Directional Data: Some findings in the presentation could reflect data with low bases.

Respondent Profile

360 total respondents
- 166 Agencies; 194 Marketers

- Advertising Decision Makers in 7 Key Categories:
  - Automotive 51
  - Financial Services 51
  - Food & Beverage 52
  - Health & Beauty 51
  - Household Goods 52
  - Retail 52
  - Telecommunications 51

- 299 Digital-Primary: Refers to advertisers who use Digital Budgets as the primary source for Digital Video Advertising

- 61 TV-Primary: Refers to advertisers who use TV Budgets as the primary source for Digital Video Advertising

299 Digital-Primary: Refers to advertisers who use Digital Budgets as the primary source for Digital Video Advertising

61 TV-Primary: Refers to advertisers who use TV Budgets as the primary source for Digital Video Advertising
## Respondent Profile Snap Shot

<table>
<thead>
<tr>
<th>Profile of Respondents (360)</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency</td>
<td>46%</td>
</tr>
<tr>
<td>Marketer</td>
<td>54%</td>
</tr>
<tr>
<td>Senior (VP+) Job Title</td>
<td>56%</td>
</tr>
<tr>
<td>Mid (Director) Job Title</td>
<td>33%</td>
</tr>
<tr>
<td>Junior Job Title</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Solid Understanding of Digital Content NewFronts</strong></td>
<td>75%</td>
</tr>
<tr>
<td><strong>Modest Understanding of Digital Content NewFronts</strong></td>
<td>25%</td>
</tr>
<tr>
<td><strong>TV-Primary Digital Video Budget Source</strong></td>
<td>17%</td>
</tr>
<tr>
<td><strong>Digital-Primary Digital Video Budget Source</strong></td>
<td>83%</td>
</tr>
</tbody>
</table>
Key Highlights – Digital Video Landscape

- **Ongoing strong growth for Digital Video**
  - Advertisers are spending on average more than $10 million annually on Digital Video, representing an 85% increase from 2 years ago
  - Video represents an increasing share of Digital/Mobile Ad Spending, with growth driven by a substantial increase in Mobile Video allocations
  - Robust spend optimism (plans to invest more in next 12 months) for both Digital and Mobile Video; while most are expecting to maintain current TV spend levels

- Citing ‘increased ROI’ as the primary reason, **Cross-Platform spending (TV + Online Video)** seeing **continued growth in 2016** – driven by TV-Primary Buyers, 82% of whom plan to increase cross-platform spending

- **Direct and indirect buying of Digital Video are both robust**
  - Programmatic Video buying seeing broad adoption and steady growth – accounting for 41% of all Digital Video dollars spent, representing 58% growth from over the last 2 years
Key Highlights – Original Digital Video and the NewFronts

• **Original Digital Video Content Spending & Trends**
  – **Robust growth**: Ad spending on *original* digital programming has more than doubled since 2014
    • Nearly one-third of ODV dollars are going to **Native** advertising opportunities
  – **Perceptual momentum**: Fully two-thirds of Video advertisers agree that ODV:
    • *will become as important as original TV programming within 3 Years*
    • *is more engaging than TV*
    • *reaches an audience that can’t be reached on TV*

• **Digital Content NewFronts: Impact and Importance**
  – **Attendance**: 71% of Video advertisers plan to attend the NewFronts in 2016
  – **Spending**
    • The 2016 NewFronts event is poised to capture just over a third of advertisers’ digital video budgets (overall), as well as 38% of their original digital video budgets
    • 8 in 10 advertisers agree that their attendance at the 2015 NewFronts resulted in increased spending on Original Digital Video content and/or motivated them to increase their budgets for ODV content
Opportunities/Recommendations

• Biggest perceived obstacles for Digital Video spending generally are the same as for Original Digital Video advertising specifically: the interrelated issues of Measurement, Budget/Cost and ROI
  – Check list for Digital Video selling
    ✓ Measurement solutions in place to prove effectiveness/ROI
    ✓ Results that achieve advertiser campaign KPI goals at a Price that makes sense in the ROI equation
  – Check list for Original Digital Video opportunities
    ✓ All of the above related to ROI (price and measurement), and…
    ✓ Content Quality and Ease of Execution: TV-primary buyers in particular are filtering opportunities based on perceived quality as well as ease of executing a buy

• Best Practices for NewFronts-Participating Media Companies
  – Environment and Programming Quality are the first boxes advertisers check when evaluating ODV media partners, followed by Audience Data/Analytics (a distinct advantage of digital) and Reach
    ✓ Position and package opportunities to have maximum appeal to Agency and TV-primary buyers, who are comparing opportunities more directly to linear TV
  – Messaging: Lean into most resonant themes for Video advertisers, making the case that ODV is an essential component of their overall Video strategy
    ✓ Growing demand for Original Digital Video content
    ✓ Greater perceived quality of available ODV content
    ✓ Achieving critical threshold for Scale/Reach
    ✓ Precision targeting of desired audiences
Digital and Mobile Video
Average Video Ad Spend Has Nearly Doubled Over 3 Years
Advertisers Will Spend Over $10 Million on Average on Digital and Mobile Video Advertising in 2016

Average Annual Spend on Digital/Mobile Video – 3-Year Trend
Average Annual Dollar Amount Spent (in millions) on Digital and Mobile Video – 3 Year Trend

Q143. Previously you said your company will spend [INSERT RANGE] on digital/mobile video in 2016. We'd like to get a bit more detail on that and prior year’s spending. To the best of your knowledge, what exactly was that spending amount in 2014 and 2015? What do you anticipate spending in 2016?
Base: Total Respondents
Nearly Two-Thirds Plan to Spend More on Digital and Mobile Video

Highest Optimism for Digital Video and Mobile Video Advertising | Most Expecting to Maintain Current TV Spend Levels

Q125: In the next 12 months, would you expect the amount of [your company's/your clients'] spend on the following types of advertising to increase, stay the same or decrease?

Base: Total Respondents

<table>
<thead>
<tr>
<th>Advertising Type</th>
<th>Increase</th>
<th>Maintain</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital/Online Video</td>
<td>63%</td>
<td>34%</td>
<td>3%</td>
</tr>
<tr>
<td>Mobile Video</td>
<td>62%</td>
<td>35%</td>
<td>2%</td>
</tr>
<tr>
<td>Advanced TV</td>
<td>41%</td>
<td>52%</td>
<td>7%</td>
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<tr>
<td>Broadcast/Cable/OTT TV</td>
<td>30%</td>
<td>51%</td>
<td>19%</td>
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</tbody>
</table>

Net Optimism (Increase Minus Decrease)

TV-Primary buyers show greater Spend Optimism than their Digital-Primary counterparts across all media types:

- **Digital Video**
  - Digital-Primary: 60%
  - TV-Primary: 77%

- **Mobile Video**
  - Digital-Primary: 60%
  - TV-Primary: 76%

- **Advanced TV**
  - Digital-Primary: 36%
  - TV-Primary: 59%

- **Broadcast TV**
  - Digital-Primary: 28%
  - TV-Primary: 41%
Q130a. You mentioned that your spending on digital video advertising will increase in 2016 compared to 2015. Where will the funding come from for the increasing digital video ad spend?

Base: Respondents Whose Digital Video Advertising Will Increase in 2016
Q111. Thinking about your overall digital ad spend, for [your company’s/your client’s] biggest or most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market, what share of spending was allocated to each of the following advertising formats in 2014 and 2015? What share do you anticipate allocating to each in 2016? (Totals for each column should add to 100%).

**Base:** Respondents Involved in Video and Other Digital/Mobile
Annual Spending on Digital/Mobile Video Advertising – by Market Sector

Spending on Digital Video Advertising Has Increased Across 6 out of 7 Market Sectors Over the Past 3 Years | Automotive Spending Is Flat | Health & Beauty Advertisers Are the Biggest Spenders on Digital Video Advertising, followed by Telecom

2016 Average Dollar Amount Spent in Millions

<table>
<thead>
<tr>
<th>Market Sector</th>
<th>2016 Spending (in Millions)</th>
<th>% Change from 2014</th>
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</thead>
<tbody>
<tr>
<td>Total</td>
<td>$10.2</td>
<td>85%</td>
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<tr>
<td>Auto</td>
<td>$11.9</td>
<td>4%</td>
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<tr>
<td>Health/Beauty</td>
<td>$15.3</td>
<td>+183%</td>
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<tr>
<td>Food/Beverage</td>
<td>$6.8</td>
<td>+134%</td>
</tr>
<tr>
<td>Household Goods</td>
<td>$10.4</td>
<td>+93%</td>
</tr>
<tr>
<td>Financial</td>
<td>$9.4</td>
<td>+129%</td>
</tr>
<tr>
<td>Retail</td>
<td>$4.7</td>
<td>+81%</td>
</tr>
<tr>
<td>Telecom</td>
<td>$13.2</td>
<td>+97%</td>
</tr>
</tbody>
</table>

Q143. Previously you said your company will spend [INSERT RANGE FROM QS30b_1] on digital/mobile video in 2016. We’d like to get a bit more detail on that and prior year’s spending. To the best of your knowledge, what exactly was that spending amount in 2014 and 2015? What do you anticipate spending in 2016? Base: Total Respondents
Original Digital Video
# Annual Average Spend on Original Digital Video Advertising Has More Than Doubled Over 3 Years

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<thead>
<tr>
<th></th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>$2.1</td>
<td>$2.4</td>
<td>$1.8</td>
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<tr>
<td>2015</td>
<td>$3.0</td>
<td>$3.5</td>
<td>$2.5</td>
</tr>
<tr>
<td>2016</td>
<td>$4.5</td>
<td>$5.0</td>
<td>$4.0</td>
</tr>
</tbody>
</table>

= % Change in Digital Video Dollar Spend 2014 – 2016

## Average Dollar Amount Spent (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$2.1</td>
<td>$2.4</td>
<td>$1.8</td>
</tr>
<tr>
<td>2015</td>
<td>$3.0</td>
<td>$3.5</td>
<td>$2.5</td>
</tr>
<tr>
<td>2016</td>
<td>$4.5</td>
<td>$5.0</td>
<td>$4.0</td>
</tr>
</tbody>
</table>

### Q143
Previously you said your company will spend [INSERT RANGE] on digital/mobile video in 2016. We’d like to get a bit more detail on that and prior year’s spending. To the best of your knowledge, what exactly was that spending amount in 2014 and 2015? What do you anticipate spending in 2016?

### Q145
What portion of your total digital video advertising budget for [your company’s/your client’s] biggest most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market was spent advertising on each type of content in 2014 and 2015? And what do you anticipate those shares will be in 2016? Your column totals should add to 100%.

**Base:** Total Respondents
Annual Spend on Original Digital Video Advertising – by Market Sector

Dollars Spent on ODV Advertising Has Increased Across All Verticals Over the Past 3 Years | Telecom Advertisers Are the Biggest Spenders on ODV Advertising followed by Health & Beauty

2016 Average Dollar Amount Spent in Millions

Q143. We’d like to get a bit more detail on that and prior year’s spending. To the best of your knowledge, what exactly was that spending amount in 2014 and 2015? What do you anticipate spending in 2016? Q145 What portion of your total digital video advertising budget for [your company’s/your client’s] biggest most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market was spent advertising on each type of content in 2014 and 2015? And what do you anticipate those shares will be in 2016? Base: Total Respondents
Source of Funding for Increased Original Digital Video Spend: Expanded Budget and TV

Overall Expansion of Advertising Budgets the Likeliest Source of Increased Spending on Original Digital Video | ODV Advertisers Also Plan to Shift Funds Away from TV and Other Non-Video Media Type Budgets to Fund Increases

Percent of Respondents Who Say Funding Will Increase

- Shifting Funds Away From TV (net)
  - Total: 64%
  - Broadcast TV Advertising: 35%
  - Cable TV Advertising: 33%
  - Overall Expansion of Advertising Budgets: 40%
  - Mobile Video Advertising: 31%
  - Other Online (Non-Video) Ads: 31%
  - Other (Non-Digital/Non-TV) Media Types: 30%
  - Advanced/Interactive TV: 29%
  - Other Digital Video Advertising: 12%

Q150 You mentioned that your advertising spending on professionally produced original digital video programming/content will increase in 2016 compared to 2015. Where will the funding come from for the increasing original digital video programming content advertising spend? (Select all that apply.)

Base: Respondents Whose Original Digital Video Advertising Will Increase in 2016
Share of 2016 ODV dollars for NewFronts Buying by buyer type
- Digital-Primary: 36%
- TV-Primary: 44%

Q155a/b/c What share of the dollars for advertising spending on professionally produced original digital video programming/content was committed as a result of the Digital Content NewFronts two years ago (Spring 2014)? A year ago (Spring 2015)? What share do you anticipate allocating to each this year (Spring 2016)?

Base: Total Respondents
Share of **Original** Digital Video Dollars Tied to NewFronts – *by Market Sector*

*Telecom* Advertisers Estimate Allocating Nearly Half of Their ODV Ad Spend at the 2016 NewFronts – Representing the Largest YOY Increase in NewFronts-Related ODV Commitments of Any Market Sector

2016 Average Allocation

<table>
<thead>
<tr>
<th>Sector</th>
<th>2014-2016 Increase</th>
<th>2014-2016 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive</td>
<td>32%</td>
<td>+23%</td>
</tr>
<tr>
<td>Health and Beauty</td>
<td>41%</td>
<td>+17%</td>
</tr>
<tr>
<td>Food and Beverage</td>
<td>38%</td>
<td>+15%</td>
</tr>
<tr>
<td>Household Goods</td>
<td>36%</td>
<td>+9%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>32%</td>
<td>+19%</td>
</tr>
<tr>
<td>Retail</td>
<td>38%</td>
<td>+23%</td>
</tr>
<tr>
<td>Telecom</td>
<td>47%</td>
<td>+31%</td>
</tr>
</tbody>
</table>

**Q155a/b/c** What share of the dollars for advertising spending on professionally produced digital video programming/content was committed as a result of the Digital Content NewFronts two years ago (Spring 2014)? A Year Ago (Spring 2015) and this year (Spring 2016)?

**Base:** Total Respondents

= % Change in Original Digital Video Allocation due to the NewFronts 2014 – 2016
Original Digital Video is Increasingly Taking a Larger Share of Video Budgets

Allocation for Original Digital Video Content Continues to Grow, However, Spending Still Favors Other Digital Video Content

Share of Digital Video Ad Spend: Original Content vs. Other Video – 3-Year Trend

Average Percent of Digital Video Budget Allocated to Original Digital Video

Q145 What portion of your total digital video advertising budget for [your company’s/your client’s] biggest most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market was spent advertising on each type of content in 2014 and 2015? And what do you anticipate those shares will be in 2016? Your column totals should add to 100%.

Base: Total Respondents
8 in 10 Advertisers Increased Original Digital Video Budgets as a Result of Attending the NewFronts

**Impact of 2015 Digital Content NewFronts on ODV Advertising**

- **Budget change/increase (Net)**: 81%
- **I committed more than I had planned to at the NewFronts**: 46%
- **During the course of the year I spent more than I had planned to due to the NewFronts**: 47%
- **The 2015 NewFronts encouraged me to increase my budget for advertising on original digital programming content**: 19%
- **Asked for More Information/Did research (Net)**: 53%
- **I asked my agency for more information about advertising on original digital programming content**: 25%
- **I did more research into original digital programming content**: 36%

**Committed More Than Planned at NewFronts**
- **Agency**: 53%
- **Marketer**: 41%

**During the Course of The Year Spent More Than Planned**
- **Agency**: 41%
- **Marketer**: 52%

Q163b In which of these ways did the 2015 Digital Content NewFronts affect your advertising on original digital programming content?

**Base**: Respondents who Participated in 2015 Digital Content NewFronts
Attending the NewFronts Increases Original Digital Video Spend: **TV-Focused** Buyers Commit More than Planned at the NewFronts; **Digital-Focused** Buyers Spend More Throughout the Year

### Impact of 2015 NewFronts on ODV Advertising (by Buyer Type)

**Digital Primary**

<table>
<thead>
<tr>
<th>Impact</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget change/increase (Net)</td>
<td>79%</td>
</tr>
<tr>
<td>During the course of the year I spent more than I had planned to due to the NewFronts.</td>
<td>49%</td>
</tr>
<tr>
<td>I committed more than I had planned to at the NewFronts.</td>
<td>42%</td>
</tr>
<tr>
<td>The 2015 NewFronts encouraged me to increase my budget for advertising on…</td>
<td>20%</td>
</tr>
<tr>
<td>Asked for More Information/Did research (Net)</td>
<td>53%</td>
</tr>
<tr>
<td>I did more research into original digital programming content.</td>
<td>36%</td>
</tr>
<tr>
<td>I asked my agency for more information about advertising on original digital…</td>
<td>24%</td>
</tr>
</tbody>
</table>

**TV Primary**

<table>
<thead>
<tr>
<th>Impact</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget change/increase (Net)</td>
<td>84%</td>
</tr>
<tr>
<td>During the course of the year I spent more than I had planned to due to the NewFronts.</td>
<td>41%</td>
</tr>
<tr>
<td>I committed more than I had planned to at the NewFronts.</td>
<td>64%</td>
</tr>
<tr>
<td>The 2015 NewFronts encouraged me to increase my budget for advertising on…</td>
<td>11%</td>
</tr>
<tr>
<td>Asked for More Information/Did research (Net)</td>
<td>48%</td>
</tr>
<tr>
<td>I did more research into original digital programming content.</td>
<td>34%</td>
</tr>
<tr>
<td>I asked my agency for more information about advertising on original digital…</td>
<td>25%</td>
</tr>
</tbody>
</table>

Q163b In which of these ways did the 2015 Digital Content NewFronts affect your advertising on original digital programming content?

**Base:** Respondents who Participated in 2015 Digital Content NewFronts

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Why Allocating **MORE** as a Result of the 2016 Digital Content NewFronts?

**Reserve Content/Pricing**

“More opportunities to own/co-create with content firms than ever; **want to lock up first rights.**”  
(Marketer, C-Level, Financial Services, TV Primary)

“We are expanding our upfront budget to **capture innovative content that may price higher over the year.**”  
(Agency, VP+, Telecom, Digital Primary)

**Results**

“**Higher engagement, brand recall.**”  
(Marketer, Other, Retail, Non-Video Specific Digital Primary)

“Success we’ve had in previous year’s allocation; **ability to more effectively target desired target at better pricing.**”  
(Agency, VP+, Financial Services, TV Primary)

**Maturation of Digital Video**

“**Opportunities, product and measurement are becoming more mature, along with internal attribution knowledge.**”  
(Agency, VP+, Health and Beauty, Digital Primary)

“**Technology has evolved** enough.”  
(Agency, Director-Supervisor, Automotive, Digital Primary)

Q137b You anticipate allocating more on digital video advertising during the 2016 Digital Content NewFronts than you allocated as a result of the 2015 Digital Content NewFronts. Would you explain why?  
**Base:** Respondents who Anticipate Allocating More During the 2016 Digital Content NewFronts
### Most Important Selection Criteria When Deciding Between NewFronts Publishers

**Agencies Appear More Demanding When Selecting an ODV Publisher with More Criteria Being Important**

#### Sorted by Total

<table>
<thead>
<tr>
<th>Agency</th>
<th>Quality of environment</th>
<th>The quality of their programming</th>
<th>Audience insights/data analytics</th>
<th>Effective audience reach</th>
<th>Attractive costs/CPMs</th>
<th>Relationship with the media brand/publisher</th>
<th>Availability of programmatic buying</th>
<th>Integrated multi-platform campaigns</th>
<th>Promotional plan around digital video offerings to expand their audience</th>
<th>Short form digital video offerings</th>
<th>Program integrations—strong creative services</th>
<th>Portfolio of assets including creative services/ client solutions</th>
<th>Large inventory of digital video offerings</th>
<th>Long form digital video offerings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of environment</td>
<td>48%</td>
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<td>The quality of their programming</td>
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<td>Audience insights/data analytics</td>
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<td>Effective audience reach</td>
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<td>Relationship with the media brand/publisher</td>
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<td>Availability of programmatic buying</td>
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<tr>
<td>Integrated multi-platform campaigns</td>
<td>29%</td>
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<td>Promotional plan around digital video offerings to expand their audience</td>
<td>29%</td>
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<tr>
<td>Short form digital video offerings</td>
<td>35%</td>
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<tr>
<td>Program integrations—strong creative services</td>
<td>26%</td>
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<tr>
<td>Portfolio of assets including creative services/ client solutions</td>
<td>30%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Large inventory of digital video offerings</td>
<td>24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long form digital video offerings</td>
<td>25%</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

#### Marketer

| Quality of environment                     | 44%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| The quality of their programming           | 38%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Audience insights/data analytics           | 41%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Effective audience reach                   | 40%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Attractive costs/CPMs                      | 35%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Relationship with the media brand/publisher| 31%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Availability of programmatic buying        | 33%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Integrated multi-platform campaigns        | 30%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Promotional plan around digital video offerings to expand their audience | 23% | | | | | | | | | | | | | | |
| Short form digital video offerings         | 22%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Program integrations—strong creative services | 27%                |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Portfolio of assets including creative services/ client solutions | 21% | | | | | | | | | | | | | | |
| Large inventory of digital video offerings | 23%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |
| Long form digital video offerings          | 19%                    |                                  |                                 |                          |                       |                                             |                                   |                                   |                                                |                             |                               |                                |                             |                          |

Q164a. Thinking about your digital video spending on Original Digital Video with media brands/publishers that participate in the NewFronts, please select the most important criteria you consider when deciding on which media brand(s)/publishers to advertise with. (Please select all that apply.)

**Base:** Total Respondents Who Allocated to Spending at the 2015 Digital Content NewFronts
Obstacles to Spending More on Original Digital Video Advertising – by Buyer Type

TV-Primary Buyers Perceive More Obstacles Overall with Buying ODV Advertising, Particularly Quality of Content, Price and Complexity of Executing a Buy

Q166. What do you view as the biggest obstacles to spending more on original digital video advertising (i.e. the type of video content presented at the NewFronts)?

Base: Total Respondents
Biggest Obstacles to Spending More on ODV Advertising – by Market Sector

**ROI and Quality of Content** Are the Top Concerns for 6 out of 7 Market Sectors | **Measurement** Tops the List of Obstacles for Auto Advertisers

Q166. What do you view as the biggest obstacles to spending more on original digital video advertising (i.e. the type of video content presented at the NewFronts)?

**Base**: Total Respondents
## Agreement with Statements Regarding Original Digital Video Content *(Top 5 of 10)*

Two-Thirds of Video Advertisers Agree that Original Digital Video Will Become as Important as Original TV Programming within 3 Years | Advertisers Also Agree that It’s More Engaging than TV and Reaches an Audience That Can’t Be Reached on TV

Sorted by Agree Somewhat/Completely

<table>
<thead>
<tr>
<th>Percent of Respondents</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agree Completely</td>
<td>Completely/ Somewhat Agree</td>
<td>Agree Completely</td>
</tr>
<tr>
<td>Original digital video programming will begin to become as important as original TV programming within the next three years.</td>
<td>26%</td>
<td>68%</td>
<td>28%</td>
</tr>
<tr>
<td>Advertising that appears in original digital video is more engaging than TV commercials.</td>
<td>20%</td>
<td>68%</td>
<td>18%</td>
</tr>
<tr>
<td>Advertising that appears in original digital video reaches an audience that can’t be reached on TV.</td>
<td>26%</td>
<td>67%</td>
<td>22%</td>
</tr>
<tr>
<td>Original digital video advertising is less likely to be blocked.</td>
<td>17%</td>
<td>63%</td>
<td>16%</td>
</tr>
<tr>
<td>Ads that appear in original digital video are more effective than ads in other digital video content.</td>
<td>20%</td>
<td>62%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Q165. To what extent do you agree with each of these statements about original digital video advertising?

**Base:** Total Respondents
### Agreement with Statements Regarding Original Digital Video Content (Continued)

Sorted by Agree Completely/Somewhat/Completely

<table>
<thead>
<tr>
<th>Percent of Respondents</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agree Completely</td>
<td>Completely/Somewhat Agree</td>
<td>Agree Completely</td>
</tr>
<tr>
<td>Original digital video reaches my core target more effectively than other advertising.</td>
<td>23%</td>
<td>61%</td>
<td>22%</td>
</tr>
<tr>
<td>I get more value from original digital video ads.</td>
<td>22%</td>
<td>61%</td>
<td>19%</td>
</tr>
<tr>
<td>I would spend more on advertising on original digital video programming if I could buy it more like television advertising (i.e., GRPs and TRPs).</td>
<td>20%</td>
<td>61%</td>
<td>19%</td>
</tr>
<tr>
<td>I consider original digital video advertising to be native advertising.</td>
<td>20%</td>
<td>58%</td>
<td>21%</td>
</tr>
<tr>
<td>I'd rather buy advertising on original digital video programming on an &quot;upfront&quot; basis versus in real-time.</td>
<td>18%</td>
<td>56%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Q165. To what extent do you agree with each of these statements about original digital video advertising?  
**Base:** Total Respondents
Native Advertising
On Average, One-Third of Original Digital Video Dollars Goes to Native Advertising

Q164. What percent of the ad dollars you spent in 2015 on professionally produced original digital video programming/content was spent on native advertising?  
**Base:** Total Respondents
Share of ODV Ad Dollars Allocated to **Native Advertising** – *by Market Sector*

**CPG and Telecom Sectors Allocate a Greater Share of Their ODV Ad Dollars to Native Advertising**

### 2015 Average Percent

<table>
<thead>
<tr>
<th>Sector</th>
<th>Average Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>32%</td>
</tr>
<tr>
<td>Automotive</td>
<td>28%</td>
</tr>
<tr>
<td>Health and Beauty</td>
<td>35%</td>
</tr>
<tr>
<td>Food and Beverage</td>
<td>37%</td>
</tr>
<tr>
<td>Household Goods</td>
<td>36%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>26%</td>
</tr>
<tr>
<td>Retail</td>
<td>27%</td>
</tr>
<tr>
<td>Telecom</td>
<td>34%</td>
</tr>
</tbody>
</table>

**Q164** What percent of the ad dollars you spent in 2015 on professionally produced original digital video programming/content was spent on native advertising?

**Base:** Total Respondents
Cross Platform Video
Q180a What share of your advertising budget was spent on cross-platform buys (TV and digital video from the same programmer/TV network) in 2014? In 2015? And what share do you anticipate spending in 2016?

Base: Total Respondents

Share of Budget Spent on Cross Platform Buys by buyer type
- Digital-Primary: 33%
- TV-Primary: 44%

= % Change in Share Spent on Cross Platform 2014 – 2016
Plans to Increase YOY Spending On Cross-Platform – 2016 vs. 2015

Cross-Platform Spending Will Continue to Grow in 2016, Driven Largely by TV-Primary Buyers

Q180c. You said in 2016 you anticipate spending [FILL IN % FROM Q180a_3]% of your advertising budget on cross-platform buys. Thinking about dollars (as opposed to share of budget) you anticipate spending in 2016, would this be an increase, the same amount, or a decrease compared to dollars spent on cross-platform in 2015?

Base: Total Respondents Who Spent on Cross Platform Buys in 2015
Programmatic Video
## Share of Digital Video Ad Spend Bought Programmatically – 3-Year Trend

Share of Digital Video Purchased Programmatically Continues to Grow in 2016

### Q131. What share of your company’s digital video ad spending, if any, was bought via programmatic companies (i.e. DSPs, SSPs, RTB) in 2014 and 2015? What share do you anticipate allocating to programmatic in 2016?

**Base:** Total Respondents

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>26%</td>
<td>24%</td>
<td>27%</td>
</tr>
<tr>
<td>2015</td>
<td>33%</td>
<td>32%</td>
<td>34%</td>
</tr>
<tr>
<td>2016</td>
<td>41%</td>
<td>40%</td>
<td>42%</td>
</tr>
</tbody>
</table>

### Average Percent

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>26%</td>
<td>33%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Agency</strong></td>
<td>24%</td>
<td>32%</td>
<td>40%</td>
</tr>
<tr>
<td><strong>Marketer</strong></td>
<td>27%</td>
<td>34%</td>
<td>42%</td>
</tr>
</tbody>
</table>

- **2016 Share of DV Spend bought Programmatically by buyer type**
  - Digital-Primary: 39%
  - TV-Primary: 49%

- **Share of Digital Video Purchased Programmatically Continues to Grow in 2016**

- **Increase 2014 - 2016**
  - Total: +58%
  - Agency: +56%
  - Marketer: +56%

- **Per 2014 – 2016**
  - Digital-Primary: +58%
  - TV-Primary: +67%

- **2016 Share of Digital Video Spending Programmatically**
  - Digital-Primary: 39%
  - TV-Primary: 49%
## How Digital Video Is Purchased – Top 2 Methods – *by Market Sector*

5 out of 7 Market Sectors Prefer to Spend Directly With Premium Video Sites | TV Network Packages Are Preferred by Auto, Financial and Telecom Sectors | CPG and Financial Verticals Also Buying Programmatically

### Percent of Buyers Who Use This Method to Buy Digital Video

<table>
<thead>
<tr>
<th>Market Sector</th>
<th>Spend directly with premium video sites</th>
<th>Buy through programmatic companies</th>
<th>Using digital ad network</th>
<th>Buy a “package” through TV networks that includes digital ad opportunities</th>
<th>Buy through programmatic companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>49%</td>
<td>47%</td>
<td>50%</td>
<td>(50%)</td>
<td>44%</td>
</tr>
<tr>
<td>Auto</td>
<td>51%</td>
<td></td>
<td></td>
<td>(57%)</td>
<td></td>
</tr>
<tr>
<td>Financial Services</td>
<td>55%</td>
<td></td>
<td></td>
<td>Buy through programmatic companies (55%)</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>46%</td>
<td></td>
<td></td>
<td>Spend directly with any digital media brand(s)/publishers that offer video advertising (46%)</td>
<td></td>
</tr>
<tr>
<td>Household Goods</td>
<td>50%</td>
<td>(50%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food/Beverage</td>
<td>54%</td>
<td>(54%)</td>
<td></td>
<td>Buy a “package” through TV networks that includes digital ad opportunities (57%)</td>
<td></td>
</tr>
<tr>
<td>Telecom</td>
<td>51%</td>
<td></td>
<td></td>
<td>Buy through programmatic companies (51%)</td>
<td></td>
</tr>
</tbody>
</table>

**Q175** Which of these digital video advertising options do you currently use?  
**Base:** Total Respondents
2016 NewFronts

2016 IAB Video Ad Spend Study

April 2016

Questions?
Kristina Sruoginis
IAB Research Director
Kristina@IAB.com
2016 IAB Video Ad Spend Study

Appendix

April 2016
Spend Allocation to Video and TV Advertising Types – 3-Year Trend

In 2016 Digital Video Allocation Will Reach Parity With TV | Mobile Video Allocation Trending Up Over the Past Three Years, driven by Digital-Primary Buyers

Average Percent

2014

18% Mobile Video
18% Advanced TV
28% Digital Video
36% Linear TV / OTT

2015

18% Mobile Video
21% Advanced TV
29% Digital Video
32% Linear TV / OTT

2016

18% Mobile Video
18% Advanced TV
29% Digital Video
30% Linear TV / OTT

Q110. Imagine that the TV and digital/mobile video advertising budget for [your company’s/your client’s] biggest or most important product or service is a pie and each of these types of advertising is a slice. What share of spending was allocated to each in 2014 and 2015? What share do you anticipate allocating to each slice in 2016?

Base: Respondents Involved in Digital Video, TV, Advanced TV and Mobile
Imagine that the digital video advertising budget for [your company’s/client’s] biggest or most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market is a pie and each of these types of digital video advertising is a slice. What share of spending was allocated to each slice in 2014 and 2015? What share do you anticipate allocating to each slice in 2016? Base: Total Respondents
The Majority Are Planning to Work with More Digital/Mobile Video Partners in 2016

More Than Half of Advertisers Plan to Work with More Digital Video Partners This Year | TV-Primary Buyers More Likely to Increase the Number of Brands They Will Work With

Percent of buyers who plan to expand the number of video partners they work with in 2016

<table>
<thead>
<tr>
<th>Total</th>
<th>Increase</th>
<th>Maintain</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>58%</td>
<td>37%</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Digital-Primary buyer</th>
<th>Increase</th>
<th>Maintain</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>53%</td>
<td>41%</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TV-Primary buyer</th>
<th>Increase</th>
<th>Maintain</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>77%</td>
<td>18%</td>
<td>5%</td>
<td></td>
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</tbody>
</table>

Q141: Thinking about your 2016 digital/mobile video advertising spending plans, do you anticipate the number of media brands/publishers you will advertise with to increase or decrease?
Base: Total Respondents
Biggest Obstacles to Spending More on Digital/Mobile Video Advertising

Perceived Obstacles Revolve around Measurement, Budget/Cost and Proving ROI

Q144b. What do you view as the biggest obstacles to spending more on digital/mobile video advertising?
Base: Total Respondents
Top-of-Mind Obstacles to Increased ODV Advertising
– In Their Own Words…

“Fit with creative campaign/theme.”
Agency, VP+, Auto, Digital Primary

“Quality of content and distribution to viewers.”
Marketer, Director-Supervisor, CPG, TV Primary

“The capability of consumers to block this content is its greatest obstacle at this moment.”
Agency, C-Level, Financial Services, Digital Primary

“Transparency with reach and fraud.”
Agency, VP+, Retail, Digital Primary

“We need to know CPMs and delivery, specifically guaranteed delivery at an efficient CPM for my client. Otherwise, repurposed online video works well enough.”
Agency, Director-Supervisor, Auto, TV Primary

“Turnaround times, approval process, level of effort from the client needed.”
Agency, Director-Supervisor, Retail, Digital Primary

“The quality of programming isn’t there. It’s just not nearly as high quality as the broadcast networks. Comedians in Cars is a rare example. But other arenas just aren’t premium enough or engaging.”
Agency, VP+, Retail, Digital Primary

“How do you view as the biggest obstacles to spending more on original digital video advertising?”
Base: Total Respondents
Q166. What do you view as the biggest obstacles to spending more on original digital video advertising (i.e. the type of video content presented at the NewFronts)?

**Base:** Total Respondents

- **ROI vs. Other Media**
  - Agency: 41%
  - Marketer: 34%
- **Quality of Content**
  - Agency: 40%
  - Marketer: 37%
- **Price**
  - Agency: 37%
  - Marketer: 32%
- **Audience and Campaign Measurement**
  - Agency: 33%
  - Marketer: 32%
- **Client's Lack of Education/Understanding of the Space (Agencies)**
  - Agency: 30%
  - Marketer: 32%
- **Viewability**
  - Agency: 30%
  - Marketer: 31%
- **Scale**
  - Agency: 27%
  - Marketer: 19%
- **Lack of Transparency in the Buying Process**
  - Agency: 26%
  - Marketer: 26%
- **Need More Education/Better Understanding of the Space (Marketers)**
  - Agency: 26%
  - Marketer: 26%
- **Complexity of Executing a Buy**
  - Agency: 25%
  - Marketer: 25%
- **Lack of Promotion of the Video Content to Audiences**
  - Agency: 25%
  - Marketer: 25%
- **Video Ad Unit Lengths**
  - Agency: 25%
  - Marketer: 25%
- **No Obstacles**
  - Agency: 3%
  - Marketer: 4%
Digital Content NewFronts Attendance – 3-Year Trend

Attendance Continues to Grow YOY – Particularly Among Agencies – with Roughly Three-Quarters of Video Advertisers Planning to Attend the 2016 NewFronts

- Digital-Primary: 73%
- TV-Primary: 61%

S35b Which Digital Content NewFronts have you attended/do you plan to attend?
Base: Total Respondents
Share of Digital Video Dollars Tied to NewFronts – 3-Year Trend

Continued Growth of Video Allocations for NewFronts Buying, with Just Over a Third of Digital Video Ad Dollars Projected to be Spent at the 2016 Event | TV-Primary Buyers More Bullish

### Average Percent

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>32%</td>
<td>31%</td>
<td>33%</td>
</tr>
<tr>
<td>2015</td>
<td>33%</td>
<td>31%</td>
<td>34%</td>
</tr>
<tr>
<td>2016</td>
<td>35%</td>
<td>34%</td>
<td>37%</td>
</tr>
</tbody>
</table>

**Share of 2016 Digital Video dollars for NewFronts Buying by buyer type**
- Digital-Primary: 34%
- TV-Primary: 43%

**71% plan to attend the 2016 NewFronts**

**Q135a/b/c** What share of your digital/mobile video advertising dollars was allocated as a result of the Digital Content NewFronts two years ago (Spring 2014), last year (Spring 2015), this year (Spring 2016).

**Base:** Total Respondents

---

**Notes:**
- **+9% Increase 2014-2016**
- **+12% Increase 2014-2016**
- **= % Change in Digital Video Allocation due to NewFronts 2014 – 2016**
Impact of 2015 Digital Content NewFronts on ODV Advertising
– In Their Own Words…

Q163a: How did the 2015 Digital Content NewFronts affect your advertising on original digital programming content?
Base: Respondents who Participated in 2015 Digital Content NewFronts
Agency, Marketer

- "It gave us direction as to where to move funds.”
  Marketer, C-Level, Retail, Digital Primary

- "It makes a lot of content ideas float to the top of the conversation with clients.”
  Agency, Director-Supervisor, Retail, TV Primary

- "It gave me a blueprint to find good quality content and contacts who are in this space.”
  Agency, VP+, Telecom, Digital Primary

- "It helped me understand what kind of programming is out there and how those programs are doing.”
  Agency, Director-Supervisor, Auto, TV Primary

- "We are still yet to experience the benefits fully due to the resistance in our verticals for NewFronts.”
  Marketer, Director-Supervisor, Food and Beverage, Digital Primary

- "It helped me understand what kind of programming is out there and how those programs are doing.”
  Agency, Director-Supervisor, Auto, TV Primary

- "Introduced us to some new technologies and efficiencies.”
  Agency, Director-Supervisor, Retail, TV Primary

- "Learned more about their production capabilities to ensure they could produce high quality content.”
  Marketer, Director-Supervisor, CPG, TV Primary

- "Introduced us to some new technologies and efficiencies.”
  Agency, Director-Supervisor, Retail, TV Primary

- "It gave me a blueprint to find good quality content and contacts who are in this space.”
  Agency, VP+, Telecom, Digital Primary

- "It gave us direction as to where to move funds.”
  Marketer, C-Level, Retail, Digital Primary
Most Important Selection Criteria When Deciding Between ODV Brands That Participate in the NewFronts

**Environment and Programming Quality** are the First Boxes Advertisers Check, followed by **Audience Data and Reach** | TV-Primary Buyers More Likely to be Influenced by **Programmatic Capabilities, Promotional Plans and Creative Program Integrations**

Percent of Respondents Who Allocated Spending at 2015 NewFronts

**Q164a. Thinking about your digital video spending on Original Digital Video with media brands/publishers that participate in the NewFronts, please select the most important criteria you consider when deciding on which media brand(s)/publishers to advertise with. (Please select all that apply.)**

**Base:** Total Respondents Who Allocated to Spending at the 2015 Digital Content NewFronts
Q181. Thinking about your 2015 digital video advertising, what share of your digital video cross platform buy was allocated to TV, Mobile and Computer?

**Base:** Respondents Involved in Cross Platform
Importance of a Unified Multi-Platform Buying Solution (TV + Digital Video)

Nearly 8 in 10 Say Having a Unified Multi-Platform Buying Solution (TV + Digital Video) Is Very Important

Q170 With the above statement in mind, how important is it that the media brands/ad networks/DSPs that you work with offer a multi-platform solution that includes both traditional TV and digital video under one media buy?

Base: Total Respondents
Biggest Advantages to Cross Platform Buying

Advertisers Recognize Several Advantages to Cross-Platform Buying, including *Increased ROI* and *Scale*

- **Increases ROI**: 53%
- **Increases Scale**: 50%
- **Targeting Capabilities**: 45%
- **One-stop Shopping**: 40%
- **Ease of Transactions**: 37%
- **Ease of Billing**: 37%
- **Decreases CPM**: 25%

**Q182.** Which of the following do you consider to be the biggest advantages to cross-platform advertising buys?

**Base:** Total Respondents Who Spent on Cross Platform Buys in 2015

- **Ease of Transactions**
  - Agency: 42%
  - Marketer: 33%

- **Decreases CPM**
  - Agency: 31%
  - Marketer: 21%
Biggest Advantages to Cross Platform Buys – by Buyer Type

Digital-Primary Buyers Value the *Targeting Capabilities* of Cross Platform | TV-Primary Buyers See Ability to *Increase ROI* as Its Greatest Advantage

**Sorted by Total**

**Digital Primary**
- Increases ROI: 52%
- Increases Scale: 48%
- Targeting Capabilities: 47%
- One-stop Shopping: 41%
- Ease of Transactions: 38%
- Ease of Billing: 35%
- Decreases CPM: 25%

**TV Primary**
- Increases ROI: 60%
- Increases Scale: 53%
- Targeting Capabilities: 34%
- One-stop Shopping: 36%
- Ease of Transactions: 34%
- Ease of Billing: 40%
- Decreases CPM: 23%

Q182. Which of the following do you consider to be the biggest advantages to cross-platform advertising buys?

*Base: Total Respondents Who Spent on Cross Platform Buys in 2015*
Q183. What would you say are the biggest disadvantages to cross-platform advertising buys?

**Base:** Total Respondents

"Lack of transparency and research into comparisons of attention level of consumer while using each medium (i.e. TV ads less watched/seen than mobile or desktop videos.)"
Agency, Director-Supervisor, Food and Beverage, Digital Primary

"Understanding what is driving ROI."
Agency, Director-Supervisor, Financial Services, Digital Primary

"Complexity of measurement and tracking."
Marketer, Director-Supervisor, CPG, TV Primary

"Negative overlap and misleading statistics."
Marketer, C-Level, Financial Services, Digital Primary

"Still too silo’ed on both buy and sell sides."
Marketer, C-Level, Financial Services, TV Primary

"Creative, getting all parties and teams aligned."
Agency, Director-Supervisor, CPG, Digital Primary

"The biggest disadvantage is lack of creativity in presenting content geared toward the individual platform."
Marketer, Manager, Automotive, TV Primary

"Understanding what is driving ROI."
Agency, Director-Supervisor, Financial Services, Digital Primary

"Complexity of measurement and tracking."
Marketer, Director-Supervisor, CPG, TV Primary

"Negative overlap and misleading statistics."
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"Still too silo’ed on both buy and sell sides."
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"Creative, getting all parties and teams aligned."
Agency, Director-Supervisor, CPG, Digital Primary

"The biggest disadvantage is lack of creativity in presenting content geared toward the individual platform."
Marketer, Manager, Automotive, TV Primary

 Biggest **Disadvantages** to Cross Platform Buys – *In Their Own Words*…
## How Digital Video Is Purchased

The Most Common Ways Digital Video Purchased: *Directly With Premium Video Sites*; Part of a Larger TV Network Package; through *Programmatic* Advertising Providers; and through *Video Ad Networks*

Sorted by Total Nets

<table>
<thead>
<tr>
<th>Option</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spend Directly (Net)</td>
<td>67%</td>
<td>71%</td>
<td>64%</td>
</tr>
<tr>
<td>Spend directly with premium video sites</td>
<td>49%</td>
<td>55%</td>
<td>43%</td>
</tr>
<tr>
<td>Spend directly with any digital media brand(s)/publishers that offer video advertising</td>
<td>39%</td>
<td>43%</td>
<td>36%</td>
</tr>
<tr>
<td>Spend directly with native digital video providers</td>
<td>33%</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Use Ad Network (Net)</td>
<td>59%</td>
<td>61%</td>
<td>56%</td>
</tr>
<tr>
<td>Use a digital video ad network</td>
<td>45%</td>
<td>52%</td>
<td>39%</td>
</tr>
<tr>
<td>Use a traditional digital ad network</td>
<td>31%</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>Buy Package incl. TV+Digital (Net)</td>
<td>63%</td>
<td>66%</td>
<td>61%</td>
</tr>
<tr>
<td>Buy a &quot;package&quot; through TV networks that includes digital ad opportunities</td>
<td>46%</td>
<td>52%</td>
<td>42%</td>
</tr>
<tr>
<td>Buy a cross-platform “package” from a cable/satellite provider</td>
<td>41%</td>
<td>42%</td>
<td>39%</td>
</tr>
<tr>
<td>Buy Digital Video Through Programmatic Companies</td>
<td>47%</td>
<td>53%</td>
<td>41%</td>
</tr>
</tbody>
</table>

Q175 Which of these digital video advertising options do you currently use?

**Base:** Total Respondents
Appendix A: Market Sector Highlights

OVERALL DIGITAL VIDEO LANDSCAPE
- Annual Spending on Digital/Mobile Video Advertising
- Digital/Mobile Spend Allocation: Video vs. Other Non-Video
- Comparison of Spending Allocated to Video and TV Ad Types
- Spending Optimism for Video and TV Advertising Types
- How Digital Video Is Purchased – Top 2 Methods
- Share of Digital/Mobile Video Ad Spend Purchased Programmatically

ADVERTISING ON ORIGINAL DIGITAL VIDEO CONTENT
- Annual Spend on Original Digital Video Advertising
- Share of Digital Video Ad Spend: Original Content vs. Other
- Share of ODV Ad Dollars Allocated to Native Advertising
- Biggest Obstacles to Spending More on ODV Advertising

DIGITAL CONTENT NEWFRONTS
- NewFronts Attendance
- Share of Digital Video Dollars Tied to NewFronts
- Share of Mobile Video Dollars Tied to NewFronts
- Share of Original Digital Video Dollars Tied to NewFronts

CROSS-PLATFORM
- Share of Ad Budgets Spent on Cross-Platform (TV + Digital) Video
- Buying Team Organization: Digital Video and Linear TV
- Buying Team Organization: Mobile Video
Digital/Mobile Spend Allocation: **Video vs. Other Non-Video** – *by Market Sector*

Video – both Online and Mobile – Getting Greater Share of Wallet YOY across Market Sectors

### Average Allocation

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Allocation</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
<td>% Change from 2014</td>
</tr>
<tr>
<td>Digital Video</td>
<td>33%</td>
<td>10%</td>
<td>32%</td>
<td>-3%</td>
<td>31%</td>
<td>11%</td>
<td>35%</td>
<td>9%</td>
</tr>
<tr>
<td>Other Digital</td>
<td>28%</td>
<td>-18%</td>
<td>25%</td>
<td>-17%</td>
<td>28%</td>
<td>-13%</td>
<td>24%</td>
<td>-17%</td>
</tr>
<tr>
<td>Mobile Video</td>
<td>24%</td>
<td>26%</td>
<td>25%</td>
<td>19%</td>
<td>26%</td>
<td>30%</td>
<td>25%</td>
<td>19%</td>
</tr>
<tr>
<td>Other Mobile</td>
<td>15%</td>
<td>-12%</td>
<td>18%</td>
<td>12%</td>
<td>16%</td>
<td>-20%</td>
<td>15%</td>
<td>-21%</td>
</tr>
</tbody>
</table>

**Q111.** Thinking about your overall digital ad spend, for [your company’s/your client’s] biggest or most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market, what share of spending was allocated to each of the following advertising formats in 2014 and 2015? What share do you anticipate allocating to each in 2016?  

**Base:** Respondents Involved in Video and Other Digital/Mobile

- **Red** Type Indicates Downward Trend  
  - = Notable Difference
Comparison of Spending Allocated to Video and TV Ad Types – by Market Sector

Digital Video Allocations Have Reached Parity or Outpaced TV across All Market Sectors, except Retail which Significantly Increased Spend on Mobile Video | Mobile Video Saw Quick Growth Over the Past 3 Years, particularly in the Telecom, Retail and Auto Sectors

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Allocation %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Change from 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadcast/Cable/OTT TV</td>
<td>29%</td>
<td>-19%</td>
<td>33%</td>
<td>-18%</td>
<td>29%</td>
<td>-15%</td>
<td>28%</td>
<td>-18%</td>
</tr>
<tr>
<td>Digital Video (not including Mobile Video)</td>
<td>30%</td>
<td>7%</td>
<td>31%</td>
<td>7%</td>
<td>27%</td>
<td>4%</td>
<td>29%</td>
<td>7%</td>
</tr>
<tr>
<td>Advanced TV</td>
<td>18%</td>
<td>NC</td>
<td>15%</td>
<td>NC</td>
<td>18%</td>
<td>6%</td>
<td>17%</td>
<td>-12%</td>
</tr>
<tr>
<td>Mobile Video</td>
<td>23%</td>
<td>28%</td>
<td>21%</td>
<td>31%</td>
<td>27%</td>
<td>17%</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>

**Q110.** Imagine that the TV and digital/mobile video advertising budget for [your company’s/your client’s] biggest or most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market is a pie and each of these types of advertising is a slice. What share of spending was allocated to each in 2014 and 2015? What share do you anticipate allocating to each slice in 2016? *(Totals for each column should add to 100%)*

**Base:** Respondents Involved in Digital Video, TV, Advanced TV and Mobile
**Spending Optimism for Video and TV Advertising Types – by Market Sector**

High Optimism Across Market Sectors for Digital and Mobile Video Over the Next 12 Months  |  Food & Beverage Advertisers More Likely to Maintain Current Spend Levels on Mobile Video Than Commit to an Increase in Spending

Optimism Score (Sorted by Total)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food &amp; Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital/Online Video</td>
<td>60%</td>
<td>55%</td>
<td>55%</td>
<td>62%</td>
<td>65%</td>
<td>57%</td>
<td>60%</td>
<td>69%</td>
</tr>
<tr>
<td>Mobile Video</td>
<td>60%</td>
<td>60%</td>
<td>67%</td>
<td>38%</td>
<td>66%</td>
<td>62%</td>
<td>60%</td>
<td>76%</td>
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<tr>
<td>Advanced TV</td>
<td>34%</td>
<td>26%</td>
<td>47%</td>
<td>24%</td>
<td>24%</td>
<td>41%</td>
<td>31%</td>
<td>47%</td>
</tr>
<tr>
<td>Broadcast/Cable/OTT TV</td>
<td>12%</td>
<td>8%</td>
<td>36%</td>
<td>3%</td>
<td>3%</td>
<td>11%</td>
<td>-3%</td>
<td>25%</td>
</tr>
</tbody>
</table>

**Q125**: In the next 12 months, would you expect the amount of [your company’s/your clients’] spend on the following types of advertising to increase, stay the same or decrease?

**Base**: Total Respondents
### Share of Digital/Mobile Video Ad Spend Purchased Programmatically – by Market Sector

Broad Adoption/Steady Growth of Programmatic Buying of both Digital and Mobile Video – Across All Market Sectors

#### Mean Allocation

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
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</thead>
<tbody>
<tr>
<td>Share of Digital Video Bought Programmatically</td>
<td>41%</td>
<td>58%</td>
<td>39%</td>
<td>86%</td>
<td>46%</td>
<td>59%</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Share of Mobile Video Bought Programmatically</td>
<td>40%</td>
<td>67%</td>
<td>38%</td>
<td>90%</td>
<td>45%</td>
<td>61%</td>
<td>41%</td>
<td>52%</td>
</tr>
</tbody>
</table>

= Notable Difference

**Q131.** What share of your company’s digital video ad spending, if any, was bought via programmatic companies (i.e. DSPs, SSPs, RTB) in 2014 and 2015? What share do you anticipate allocating to programmatic in 2016?  
**Base:** Total Respondents
Share of Digital Video Ad Spend: **Original** Content vs. Other – by Market Sector

Across Market Sectors Allocation for *Original* Digital Video Content Continues to Grow | However, Spending in 4 of 7 Verticals Still Favors Other Digital Video Content | *Health & Beauty, Household Goods* and *Telecom* Spending on ODV Has Reached Parity With Other Digital Video Content

<table>
<thead>
<tr>
<th>Average Allocation</th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising on Original Digital Video Programming</td>
<td>44%</td>
<td>16%</td>
<td>38%</td>
<td>27%</td>
<td>42%</td>
<td>8%</td>
<td>48%</td>
<td>12%</td>
</tr>
<tr>
<td>Advertising on Other Digital Video Content</td>
<td>56%</td>
<td>-10%</td>
<td>62%</td>
<td>-11%</td>
<td>58%</td>
<td>-5%</td>
<td>52%</td>
<td>-9%</td>
</tr>
</tbody>
</table>

**Q145** What portion of your total digital video advertising budget for [your company’s/your client’s] biggest most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market was spent advertising on each type of content in 2014 and 2015? And what do you anticipate those shares will be in 2016? Your column totals should add to 100%.

**Base:** Total Respondents
**NewFronts Attendance – by Market Sector**

- **NewFronts Attendance Has Grown Across All Market Sectors**
  - Automotive Advertisers Recording the Greatest YOY Growth in Attendance

**Graphical Representation:**

- **Total:**
  - 2014: 34%
  - 2015: 66%
  - 2016: 71%

- **Auto:**
  - 2014: 31%
  - 2015: 55%
  - 2016: 75%

- **Health/Beauty:**
  - 2014: 47%
  - 2015: 69%
  - 2016: 75%

- **Food/Beverage:**
  - 2014: 31%
  - 2015: 67%
  - 2016: 73%

- **Household Goods:**
  - 2014: 35%
  - 2015: 67%
  - 2016: 71%

- **Financial:**
  - 2014: 43%
  - 2015: 61%
  - 2016: 63%

- **Retail:**
  - 2014: 19%
  - 2015: 65%
  - 2016: 63%

- **Telecom:**
  - 2014: 35%
  - 2015: 75%
  - 2016: 78%

**S35b Question:** Which Digital Content NewFronts have you attended/do you plan to attend?

**Base:** Total Respondents
Share of Digital Video Dollars Tied to NewFronts – by Market Sector

Telecom Advertisers’ Digital Video Allocations More Influenced by the NewFronts – Allocating Nearly Half of Their Digital Video Dollars as a Result of the Event

2016 Average Percent

Q135a/b/c What share of your digital/mobile video advertising dollars was allocated as a result of the Digital Content NewFronts two years ago (Spring 2014), last year (Spring 2015), this year (Spring 2016)?

Base: Total Respondents

= % Change in Digital Video Allocation due to NewFronts 2014 – 2016
Share of Mobile Video Dollars Tied to NewFronts – by Market Sector
Minimal Differences Across Market Sectors in Mobile Video Allocations Attributed to the NewFronts

2016 Average Percent

Q135a/b/c What share of your digital/mobile video advertising dollars was allocated as a result of the Digital Content NewFronts two years ago (Spring 2014), last year (Spring 2015), this year (Spring 2016)?

Base: Respondents Involved in Mobile Video

= % Change in Mobile Video Allocation due to NewFronts 2014 – 2016
Share of Ad Budgets Spent on Cross-Platform (TV + Digital) Video – *by Market Sector*

*Telecom and Food & Beverage* Advertisers Allocating Slightly More than Other Sectors to Cross-Platform Buying | Biggest YOY Growth in Cross-Platform Allocations in *Automotive* and *Financial Services* Sectors

Mean Allocation

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Automotive</th>
<th>Health &amp; Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-Platform Spend Share</td>
<td>35%</td>
<td>21%</td>
<td>30%</td>
<td>36%</td>
<td>35%</td>
<td>21%</td>
<td>38%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Q180a What share of your advertising budget was spent on cross-platform buys (TV and digital video from the same programmer/TV network) in 2014? In 2015? And what share do you anticipate spending in 2016?  
**Base:** Total Respondents
Buying Team Organization: Digital Video and Linear TV – *by Market Sector*

Across All Market Sectors, A Single Team Buying both Digital Video and Linear TV Is Most Prevalent | Financial Services Remains Most Bifurcated of All Verticals with 38% Still Using Separate Buying Organizations

<table>
<thead>
<tr>
<th>Market Sector</th>
<th>One Team (%)</th>
<th>Separate Teams (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>72%</td>
<td>28%</td>
</tr>
<tr>
<td>Auto</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td>Health/Beauty</td>
<td>68%</td>
<td>32%</td>
</tr>
<tr>
<td>Food/Beverage</td>
<td>79%</td>
<td>21%</td>
</tr>
<tr>
<td>Household Goods</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Retail</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>Telecom</td>
<td>67%</td>
<td>33%</td>
</tr>
</tbody>
</table>

S16a: Which of the following describes how you buy digital video and linear television? (Select one.)

**Base:** Involved in Both Digital Video and TV
Buying Team Organization: Mobile Video – by Market Sector

Combined Digital-Mobile Teams Are Most Likely to be Buying Mobile Video in 6 out of 7 Market Sectors | Health & Beauty Vertical Most Likely to Use Dedicated Mobile Specialist Buying Teams

Total

- Mobile Team (25%)
- Digital Team (25%)
- Combined Team (50%)

Auto

- Mobile Team (22%)
- Digital Team (27%)
- Combined Team (51%)

Health/Beauty

- Mobile Team (40%)
- Digital Team (23%)
- Combined Team (37%)

Food/Beverage

- Mobile Team (24%)
- Digital Team (20%)
- Combined Team (56%)

Household Goods

- Mobile Team (27%)
- Digital Team (24%)
- Combined Team (49%)

Financial Services

- Mobile Team (15%)
- Digital Team (33%)
- Combined Team (51%)

Retail

- Mobile Team (17%)
- Digital Team (28%)
- Combined Team (55%)

Telecom

- Mobile Team (27%)
- Digital Team (21%)
- Combined Team (52%)

S16b: Which of the following describes how you buy Mobile Video?
Base: Involved in Mobile Video

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Appendix B

- Dollar Spend on Digital Video and TV in Coming Year
- Digital Video Budget Source & Decision Making
- Mobile Video Budget Source & Decision Making
- Share of Mobile Video Ad Spend Purchased Programmatically
- ODV Budget Source
- Knowledge of the Digital Content NewFronts
- Digital NewFronts Participating Brands Purchased in 2015
- Reasons Plan to Allocate LESS During the 2015 Digital Content NewFronts
- Share of Mobile Video Dollars Tied to NewFronts – 3-Year Trend
- YOY Increase in Dollars Spent On Cross-Platform Buys - 2014 vs. 2015
S30b. Thinking about [TV and Digital Video/Mobile Video", “Digital Video/Mobile Video"] advertising, approximately how much will [your company/your clients] spend on video advertising with the following media types in the coming year?

Base: Total Respondents Involved in Digital Video and/or TV
Digital Video Budget Source and Decision-Making

**Primary Source of Digital Video Budgets**

- Digital/Online (not video specific): 34%
- Digital Video: 33%
- TV: 17%
- Mobile: 11%
- Native: 3%
- Experimental: 2%
- Other: 1%

**TV and Digital Video Buying**

- Bought by Separate Teams: 28%
- Combined Into One Buying Team: 72%

**QS16.** Which budget primarily funds your digital video advertising?
**Base:** Total Respondents

**QS16a.** Which of the following describes how you buy digital video and linear television?
**Base:** Involved in Both Digital Video and TV
QS17. Which budget primarily funds your mobile video advertising?

QS16b. Which of the following describes how you buy mobile video?

Base: Involved in Mobile Video
2016 IAB Video Ad Spend Study P. 71

Share of Mobile Video Ad Spend Purchased Programmatically—3-Year Trend

The Share of Mobile Video Purchased Programmatically Grew at a Faster Rate Than YOY Digital Video Purchased Programmatically

Average Percent

2016 Share of Mobile Video Spend bought Programmatically by buyer type
- Digital-Primary: 38%
- TV-Primary: 49%

Q132. What share of your company’s mobile video ad spending, if any, was bought via programmatic companies (i.e. DSPs, SSPs, RTB) in 2014 and 2015? What share do you anticipate allocating to programmatic in 2016?

Base: Respondents Involved in Mobile Video

= % Change in Share of Digital Video Advertising Bought Programmatically 2014 – 2016
Q152. Which budget primarily funds your original digital video advertising?
Base: Total Respondents
Knowledge of the Digital Content NewFronts

Total
- Solid Understanding: 75%
- Modest Understanding: 25%

Agency
- Solid Understanding: 64%
- Modest Understanding: 36%

Marketer
- Solid Understanding: 84%
- Modest Understanding: 16%

S35a: Which of these best describes your knowledge of the Digital Content NewFronts?
Base: Total Respondents
Reasons Plan to Allocate LESS as a Result of the 2016 Digital Content NewFronts
– In Their Own Words…

ROI Measurement

“ROI is suspect and hard to calculate.” (Marketer, VP+, Retail, TV Primary)

“ROI assessment.” (Marketer, VP+, CPG, TV Primary)

“Having issue measuring ROI.” (Marketer, VP+, Retail, Digital Primary)

“Haven’t figured out impact.” (Agency, VP+, Health and Beauty, Digital Primary)

Mobile Demand

“More demand for mobile video.” (Agency, Director-Supervisor, Retail, TV Primary)

Business Needs/Cost

“Conflicts with audience.” (Marketer, C-Level, Financial Services, Digital Primary)

“Budget cuts.” (Marketer, Director-Supervisor, Food & Beverage, TV Primary)

Q137a You anticipate allocating less on digital video advertising during the 2016 Digital Content NewFronts than you allocated as a result of the 2015 Digital Content NewFronts. Would you explain why?

Base: Respondents who Anticipate Allocating More During the 2016 Digital Content NewFronts
Share of Mobile Video Dollars Tied to NewFronts – 3-Year Trend

As with Digital Video, Advertisers Expect to Allocate About One-Third of Mobile Video Budgets During the 2016 NewFronts, with TV-Primary Buyers and Marketers More Bullish

Average Percent

- **2016 Mobile Video Budget Allocation to NewFronts**
  - Buying by buyer type
    - Digital-Primary: 32%
    - TV-Primary: 48%

Q135a/b/c: What share of your digital/mobile video advertising dollars was allocated as a result of the Digital Content NewFronts two years ago (Spring 2014), last year (Spring 2015), this year (Spring 2016).

**Base:** Respondents Involved in Mobile Video

- **2014**
  - Total: 32%
  - Agency: 30%
  - Marketer: 34%
- **2015**
  - Total: 33%
  - Agency: 29%
  - Marketer: 36%
- **2016**
  - Total: 34%
  - Agency: 30%
  - Marketer: 37%

**+6% Increase 2014-2016**

**+9% Increase 2014-2016**

= % Change in Digital Video Allocation due to NewFronts 2014 – 2016
### YOY Increase in Dollars Spent On Cross-Platform Buys - 2014 vs. 2015

The Majority of Advertisers Increased Their Spending on Cross-Platform Campaigns in 2014

<table>
<thead>
<tr>
<th></th>
<th>Increase</th>
<th>Maintain</th>
<th>Decrease</th>
<th>Net Cross Platform Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>69%</td>
<td>30%</td>
<td>1%</td>
<td>68% (Increase Minus Decrease)</td>
</tr>
<tr>
<td><strong>Digital Primary</strong></td>
<td>64%</td>
<td>35%</td>
<td>1%</td>
<td>63%</td>
</tr>
<tr>
<td><strong>TV Primary</strong></td>
<td>91%</td>
<td>9%</td>
<td></td>
<td>91%</td>
</tr>
</tbody>
</table>

**Q180b** You said in 2015 you spent [FILL IN % FROM Q180a_2]% of your advertising budget on cross-platform buys. Thinking about dollars (as opposed to share of budget) spent in 2015, was this an increase, the same amount, or a decrease compared to dollars spent on cross-platform in 2014?

**Base:** Total Respondents Who Spent on Cross Platform Buys in 2015
Appendix C: Respondent Classification

- Media Type Involvement
- Company Type
- Media Decision Making Role
- Projected 12-Month Total Media Spend
- Market Sector Focus
- Job Title
- Agency Type
### Media Type Involvement

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
<th>Automotive</th>
<th>Health and Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
<th>Digital</th>
<th>TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print (magazines and national newspapers)</td>
<td>69%</td>
<td>66%</td>
<td>72%</td>
<td>71%</td>
<td>63%</td>
<td>75%</td>
<td>73%</td>
<td>75%</td>
<td>65%</td>
<td>65%</td>
<td>68%</td>
<td>74%</td>
</tr>
<tr>
<td>Cable/Broadcast/OTT TV</td>
<td>72%</td>
<td>73%</td>
<td>71%</td>
<td>78%</td>
<td>71%</td>
<td>71%</td>
<td>67%</td>
<td>73%</td>
<td>71%</td>
<td>71%</td>
<td>70%</td>
<td>79%</td>
</tr>
<tr>
<td>Online/Digital Display</td>
<td>88%</td>
<td>84%</td>
<td>92%</td>
<td>90%</td>
<td>78%</td>
<td>88%</td>
<td>92%</td>
<td>92%</td>
<td>94%</td>
<td>82%</td>
<td>91%</td>
<td>74%</td>
</tr>
<tr>
<td>Online/Digital Video</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Radio</td>
<td>60%</td>
<td>56%</td>
<td>64%</td>
<td>69%</td>
<td>59%</td>
<td>69%</td>
<td>54%</td>
<td>67%</td>
<td>52%</td>
<td>53%</td>
<td>58%</td>
<td>69%</td>
</tr>
<tr>
<td>Outdoor</td>
<td>55%</td>
<td>52%</td>
<td>58%</td>
<td>71%</td>
<td>57%</td>
<td>58%</td>
<td>56%</td>
<td>51%</td>
<td>50%</td>
<td>43%</td>
<td>54%</td>
<td>56%</td>
</tr>
<tr>
<td>Advanced TV</td>
<td>67%</td>
<td>66%</td>
<td>68%</td>
<td>75%</td>
<td>59%</td>
<td>63%</td>
<td>73%</td>
<td>73%</td>
<td>62%</td>
<td>67%</td>
<td>65%</td>
<td>79%</td>
</tr>
<tr>
<td>Mobile Video</td>
<td>81%</td>
<td>84%</td>
<td>79%</td>
<td>88%</td>
<td>84%</td>
<td>87%</td>
<td>79%</td>
<td>76%</td>
<td>90%</td>
<td>65%</td>
<td>84%</td>
<td>68%</td>
</tr>
</tbody>
</table>

**S15a. In which of these media are you involved in recommending, specifying or approving advertising spending?**

**Base:** Total Respondents
### Company Type

<table>
<thead>
<tr>
<th>Total</th>
<th>Company Type</th>
<th>Market Sector</th>
<th>Primary DV Budget Source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agency</td>
<td>Marketer</td>
<td>Automotive</td>
</tr>
<tr>
<td>46%</td>
<td>100%</td>
<td>N/A</td>
<td>67%</td>
</tr>
<tr>
<td>40%</td>
<td>87%</td>
<td>N/A</td>
<td>65%</td>
</tr>
<tr>
<td>6%</td>
<td>13%</td>
<td>N/A</td>
<td>2%</td>
</tr>
<tr>
<td>54%</td>
<td>N/A</td>
<td>100%</td>
<td>33%</td>
</tr>
<tr>
<td>48%</td>
<td>N/A</td>
<td>89%</td>
<td>24%</td>
</tr>
<tr>
<td>6%</td>
<td>N/A</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

20. Which of the following characterizes the work your company is primarily involved with?

**Base:** Total Respondents

Agency – an advertising or media agency, meaning you advise clients on where to spend their advertising dollars.

Consultant on the agency side.

Marketer (Net).

Advertiser - meaning you advertise your company’s products or services (including in-house agency).

Consultant on the advertiser side (including in-house agency).
## Media Decision-Making Role

<table>
<thead>
<tr>
<th>Total</th>
<th>Company Type</th>
<th>Market Sector</th>
<th>Primary DV Budget Source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agency</td>
<td>Marketer</td>
<td>Automotive</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am the sole decision maker</td>
<td>61%</td>
<td>47%</td>
<td>72%</td>
</tr>
<tr>
<td>I am at an agency and I am the primary decision maker, although I collaborate considerably with the client</td>
<td>14%</td>
<td>32%</td>
<td>0%</td>
</tr>
<tr>
<td>I am one of several people who collaborate on decisions</td>
<td>25%</td>
<td>21%</td>
<td>28%</td>
</tr>
</tbody>
</table>

S25. How would you describe your role in the advertising/media decision-making process?

**Base:** Total Respondents
## Total Media Spend in Coming Year

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Company Type</th>
<th>Market Sector</th>
<th>Primary DV Budget Source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agency</td>
<td>Marketer</td>
<td>Automotive</td>
</tr>
<tr>
<td>$1 million to less than $2 million</td>
<td>7%</td>
<td>4%</td>
<td>10%</td>
<td>4%</td>
</tr>
<tr>
<td>$2 million to less than $5 million</td>
<td>11%</td>
<td>9%</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>$5 million to less than $10 million</td>
<td>18%</td>
<td>18%</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>$10 million to less than $25 million</td>
<td>23%</td>
<td>19%</td>
<td>26%</td>
<td>20%</td>
</tr>
<tr>
<td>$25 million to less than $50 million</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>25%</td>
</tr>
<tr>
<td>$50 million to less than $100 million</td>
<td>11%</td>
<td>17%</td>
<td>7%</td>
<td>16%</td>
</tr>
<tr>
<td>$100 million or more</td>
<td>10%</td>
<td>14%</td>
<td>6%</td>
<td>10%</td>
</tr>
</tbody>
</table>

S30a Approximately how much will [your company/your clients] spend on total advertising in all media (TV, Digital, Mobile, Print, Out-of-Home, Radio, etc.) in the **coming year**?

**Base:** Total Respondents
Market Sector Focus

<table>
<thead>
<tr>
<th>Product/Service Market Sector</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
<th>Primary DV Budget Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>14%</td>
<td>21%</td>
<td>9%</td>
<td>15%</td>
</tr>
<tr>
<td>Health and Beauty</td>
<td>14%</td>
<td>16%</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>Food and Beverage</td>
<td>14%</td>
<td>14%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Household Goods</td>
<td>14%</td>
<td>12%</td>
<td>17%</td>
<td>12%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>14%</td>
<td>10%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Retail</td>
<td>14%</td>
<td>13%</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>Telecom</td>
<td>14%</td>
<td>15%</td>
<td>14%</td>
<td>15%</td>
</tr>
</tbody>
</table>

S31. For which of the following product/service market sectors do you recommend, specify or approve media selection?

**Base:** Total Respondents
Job Title

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
<th>Automotive</th>
<th>Health and Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
<th>Digital</th>
<th>TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Level (Net)</td>
<td>56%</td>
<td>52%</td>
<td>60%</td>
<td>45%</td>
<td>61%</td>
<td>54%</td>
<td>63%</td>
<td>59%</td>
<td>54%</td>
<td>57%</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>C-Level</td>
<td>26%</td>
<td>19%</td>
<td>31%</td>
<td>22%</td>
<td>29%</td>
<td>37%</td>
<td>27%</td>
<td>22%</td>
<td>13%</td>
<td>29%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>VP, EVP, SVP, President, etc.</td>
<td>31%</td>
<td>32%</td>
<td>29%</td>
<td>24%</td>
<td>31%</td>
<td>17%</td>
<td>37%</td>
<td>37%</td>
<td>40%</td>
<td>27%</td>
<td>31%</td>
<td>32%</td>
</tr>
<tr>
<td>Mid Level (Net)</td>
<td>33%</td>
<td>35%</td>
<td>30%</td>
<td>45%</td>
<td>22%</td>
<td>38%</td>
<td>27%</td>
<td>37%</td>
<td>33%</td>
<td>25%</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Director/Supervisor</td>
<td>33%</td>
<td>35%</td>
<td>30%</td>
<td>45%</td>
<td>22%</td>
<td>38%</td>
<td>27%</td>
<td>37%</td>
<td>33%</td>
<td>25%</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Junior Level (Net)</td>
<td>11%</td>
<td>13%</td>
<td>10%</td>
<td>10%</td>
<td>18%</td>
<td>8%</td>
<td>10%</td>
<td>4%</td>
<td>13%</td>
<td>18%</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Manager</td>
<td>9%</td>
<td>11%</td>
<td>8%</td>
<td>8%</td>
<td>16%</td>
<td>8%</td>
<td>10%</td>
<td>2%</td>
<td>10%</td>
<td>14%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Planner</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
<td>4%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

S185. What is your job title?

Base: Total Respondents
### Agency Type

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Agency</th>
<th>Marketer</th>
<th>Automotive</th>
<th>Health and Beauty</th>
<th>Food and Beverage</th>
<th>Household Goods</th>
<th>Financial Services</th>
<th>Retail</th>
<th>Telecom</th>
<th>Digital</th>
<th>TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>An independent agency</td>
<td>72%</td>
<td>72%</td>
<td>N/A</td>
<td>68%</td>
<td>81%</td>
<td>70%</td>
<td>84%</td>
<td>59%</td>
<td>77%</td>
<td>67%</td>
<td>72%</td>
<td>71%</td>
</tr>
<tr>
<td>Part of a larger holding company (e.g., Omnicom Group, WPP Advertising, Dentsu, etc.)</td>
<td>28%</td>
<td>28%</td>
<td>N/A</td>
<td>32%</td>
<td>19%</td>
<td>30%</td>
<td>16%</td>
<td>41%</td>
<td>23%</td>
<td>33%</td>
<td>28%</td>
<td>29%</td>
</tr>
</tbody>
</table>

**Q190** Is the agency you work for an independent agency or part of a larger holding company.  
**Base:** Total Agency Respondents
2016 NewFronts

2016 IAB Video Ad Spend Study

April 2016

Questions?
Kristina Sruoginis
IAB Research Director
Kristina@IAB.com