## 2015 Digital Video Ad Revenue: $4.2 Billion
### Full Year Revenue Has Tripled Since 2010

**2015 Internet Ad Revenue**

- **$59.5B**

### US Digital Video Ad Revenue ($ Billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>1st Half Year</th>
<th>2nd Half Year</th>
<th>Full Year</th>
<th>% YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$1.4B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>$1.8B</td>
<td></td>
<td></td>
<td>29% Up From 2010</td>
</tr>
<tr>
<td>2012</td>
<td>$2.3B</td>
<td></td>
<td></td>
<td>19% Up From 2011</td>
</tr>
<tr>
<td>2013</td>
<td>$2.8B</td>
<td></td>
<td></td>
<td>17% Up From 2012</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td>$3.3B</td>
<td></td>
<td>30% Up From 2013</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td>$4.2B</td>
<td></td>
</tr>
</tbody>
</table>

Source: IAB Internet Advertising Revenue Reports, Full and Half Year 2010-2015

http://www.IAB.com/AdRevenueReport
Nearly Two-Thirds of Buyers 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

Spending Optimism for Video and TV Advertising Types

- **Digital/Online Video**: 63% Increase, 34% Maintain, 3% Decrease
- **Mobile Video**: 62% Increase, 35% Maintain, 2% Decrease
- **Advanced TV**: 41% Increase, 52% Maintain, 7% Decrease
- **Broadcast/Cable/OTT TV**: 30% Increase, 51% Maintain, 19% Decrease

Net Optimism (Increase Minus Decrease)

**TV-Focused buyers show greater Spend Optimism than their Digital-Focused counterparts across all media types**

- **Digital Video**
  - Digital-Focused: 60%
  - TV-Focused: 77%
- **Mobile Video**
  - Digital-Focused: 60%
  - TV-Focused: 76%
- **Advanced TV**
  - Digital-Focused: 36%
  - TV-Focused: 59%
- **Broadcast TV**
  - Digital-Focused: 28%
  - TV-Focused: 41%

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

Http://www.IAB.com/VideoAdSpend

IAB 2016 Digital Video Ad Spend Study
Annual Average Spend on Original Digital Video Has More Than Doubled Since 2014

Average Annual Ad Dollar Amount Spent on ODV (in millions)

- $2.1 in 2014
- $3.0 in 2015
- $4.5 in 2016

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

Digital-Focused Buyers Spend More Throughout the Year

- Budget change/increase (Net) 79%
- During the course of the year I spent more than I had planned to due to the NewFronts. 49%
- I committed more than I had planned to at the NewFronts. 42%

TV-Focused Buyers Commit More than Planned at the NewFronts

- Budget change/increase (Net) 84%
- During the course of the year I spent more than I had planned to due to the NewFronts. 41%
- I committed more than I had planned to at the NewFronts. 64%

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] 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%.

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

- Primarily Digital Buyers
  - Budget change/increase (Net): 79%
  - During the course of the year I spent more than I had planned to due to the NewFronts: 49%
  - I committed more than I had planned to at the NewFronts: 42%

- Primarily TV Buyers
  - Budget change/increase (Net): 84%
  - During the course of the year I spent more than I had planned to due to the NewFronts: 41%
  - I committed more than I had planned to at the NewFronts: 64%

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

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- TV-Focused Buyers Commit More than Planned at the NewFronts

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**26% of US Adults Watch Original Digital Video Monthly**

<table>
<thead>
<tr>
<th>Year</th>
<th>US Adult Population Watched Original Digital Video at Least Once a Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>45%</td>
</tr>
<tr>
<td>2014</td>
<td>52%</td>
</tr>
<tr>
<td>2015</td>
<td>59%</td>
</tr>
<tr>
<td>2016</td>
<td>63%</td>
</tr>
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</table>

**Original Digital Video is More Innovative and its Ads are More Memorable and Fun**

- **38%** Say They Tend to Remember Ads in Original Digital Video
- **36%** Find Ads in Original Digital Video to be “More Interesting” or “Fun”

[Image showing differences in ratings and preferences between original digital video (ODV) and regular TV.]

- **Innovative**: ODV > Regular TV
- **Younger**: ODV > Regular TV
- **For anywhere**: ODV > Regular TV
- **Unique**: ODV > Regular TV

**US Adults 18 and Older**

- **26%** Watch ODV at Least Once a Month

[Source: IAB 2016 Original Digital Video Consumer Insights Study](http://www.IAB.com/OriginalVideo)