



Digital Trends: Consumer Usage of Digital and its Influence on Ad Revenue

Half Year 2017 Update

Questions?

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Digital Usage Trends: Topline Executive Summary

HY'17 Update

- **253 million Americans accessed the internet via computer or mobile device in June 2017, spending 1.3 trillion minutes online.**
- **Overall digital ad revenue grew 23% from HY'16 to reach \$40.1 billion for the First Half Year 2017.**
- **Consistently, the top 5 properties visited on any device via app or site have been Google, Facebook, Yahoo, Microsoft and Amazon.**
- **Over the course of a year (6/16-6/17), consumers have started to spend more time on Google (#1) than on Facebook (#2). Pandora maintains a strong third place in time spent online on any device.**
- **193 million users spent 860 billion minutes online in June using a smartphone or tablet.**
- **The shift to mobile continues: 66% of time spent online is on a mobile device. (6/17: 860B mobile minutes)**
- **Ad dollars are now following: 54% of digital ad revenue for HY 2017 is from mobile advertising. (HY'17: \$22B mobile)**
- **Internet advertising influences purchase decisions ranging from Electronics to Clothing, CPG, Auto and Finance. 39% of US adults are influenced by internet ads for Electronics.**

Digital Usage Trends: Detailed Summary Points

Mobile vs. Desktop:

- More consumers used a computer (221M) to access the internet than a mobile device (193M) although the number of monthly computer users is declining while mobile users grow slightly.
- 2 out of every 3 minutes spent online is on a mobile device.
- Monthly internet time spent on smartphones grew from 56% to 57% over the year (6/16-6/17), tablet time shrank from 11% to 9% and computer time online grew from 33% to 34%.
- Most visited properties are similar on desktop as on mobile, but time spent differs. Google and Facebook are consistently top 2 by any device or measure.
- After Facebook and Google, top properties in terms of time spent online include video streaming sites for desktop and audio streaming properties for mobile. Yahoo and Amazon appear in top 10 for both.

Mobile Apps vs. Web:

- More mobile time is spent on apps (87%) than mobile web (13%), smartphones (87%) than tablets (13%).
- Over the course of a year (6/16-6/17), consumers have started to spend more time on Google sites (#1) than on Facebook's site (#2).
- In terms of apps, while consumers still spend the most time on Facebook's app (#1), the gap between Facebook and Google's apps (#2) is narrowing. Pandora's app (#3) is almost as popular as Google's apps
- 4 out of the top 10 mobile apps are exclusively music streaming apps
- While roughly two-thirds say they download apps, less than half pay for them, creating mobile ad opportunities.

Digital Usage Trends: Detailed Summary Points

Digital Video:

- Video ad revenue is up 36% from last year to \$5.2 Billion for HY 2017. Half of video ad dollars are now from mobile.
- 227 million Americans streamed 46 billion videos and 23 billion video ads for a total of 170 billion minutes in June.
- Most Visited Video Properties: Facebook, Google, Yahoo, Comcast NBCu, Microsoft
- Most Streamed Video Properties: Google, Facebook, Yahoo, Microsoft, Vevo
- Video Properties with the Most Time Spent Streaming: Google, Facebook, Netflix, Twitch.TV, Vevo

Music and Audio:

- Digital audio ad revenue for the first Half Year 2017 has grown 46% to \$603 million, with 75% of that revenue from mobile.
- 913 million consumers spent 143 million minutes in June on music entertainment properties via computer, tablet or smartphone apps or sites.
- Pandora is by far the leader in time spent on music entertainment sites or apps. #2 and #3, Spotify and Soundcloud, have grown over the year (6/16-6/17).

Digital Usage Trends: Detailed Summary Points

Social Media:

- 216 million consumers spent 213 billion minutes on social media in June 2017, which is roughly 34 minutes per person per day.
- Top social media properties visited in June 2017: Facebook, Twitter, LinkedIn, Snapchat, Pinterest
- Social media influences purchase decisions, especially in Electronics.
- As a result, social media ad revenue has grown 37% from a year ago to \$9.5B for HY 2017.

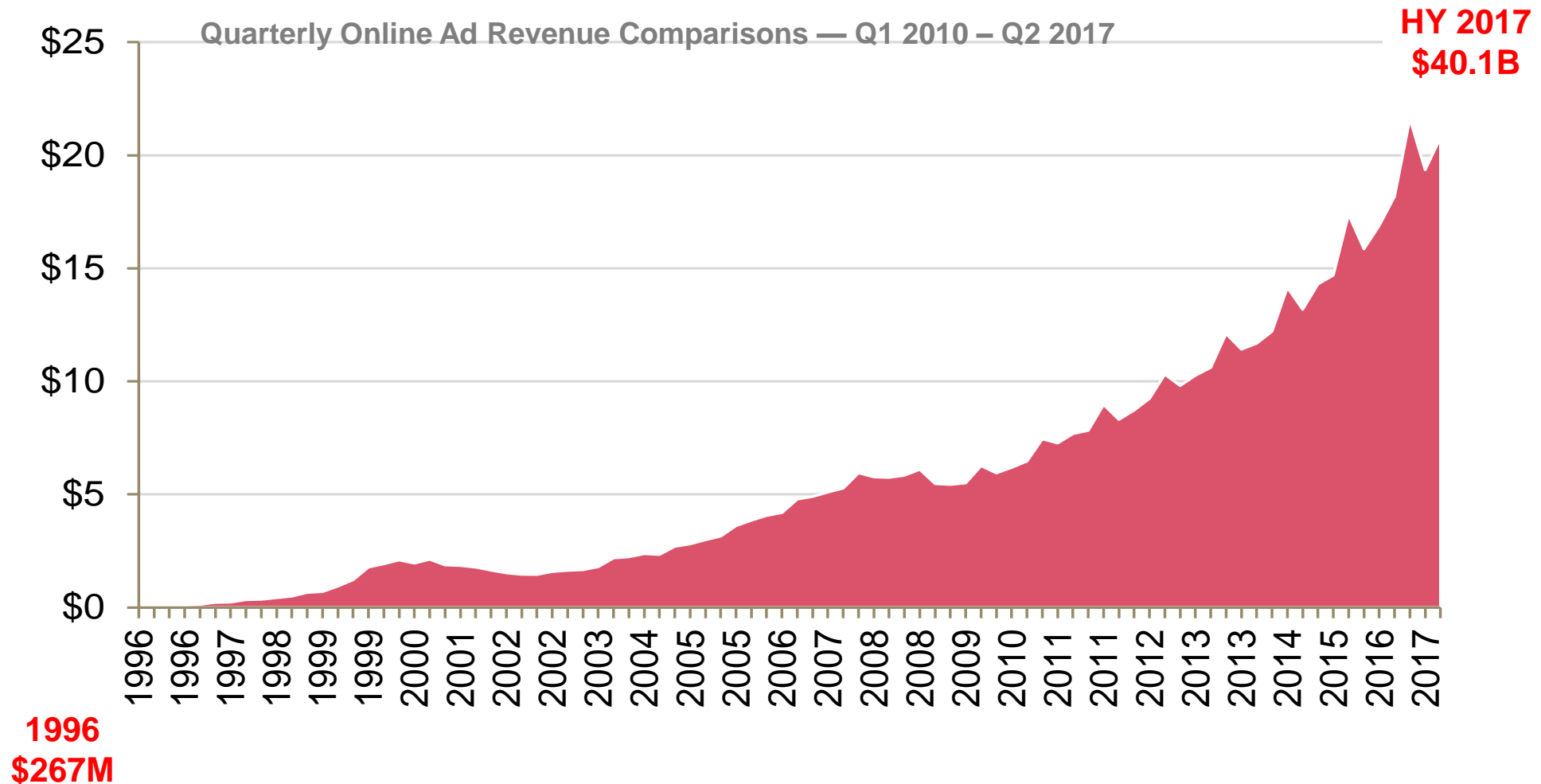


Total Digital Population: The Overall View

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

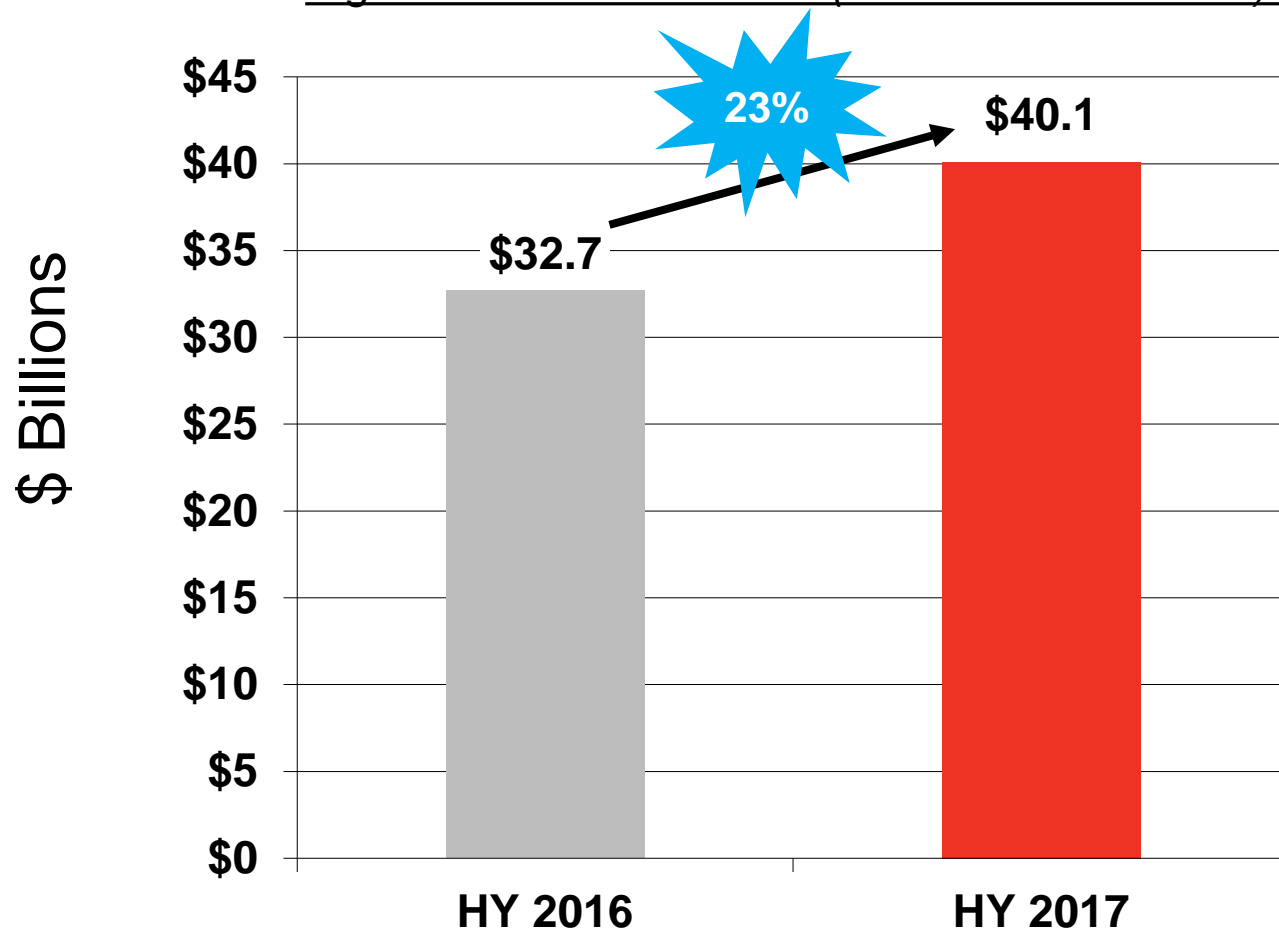
The Big Picture: Online Advertising Revenue Continues Its Incredible Growth



Source: IAB Half Year and Q2 2017 Internet Advertising Revenue Report

Half Year 2017 Year-Over-Year Digital Ad Revenue Growth

Digital Ad Revenue Growth (HY 2016 vs. HY 2017) (Mobile + Desktop)



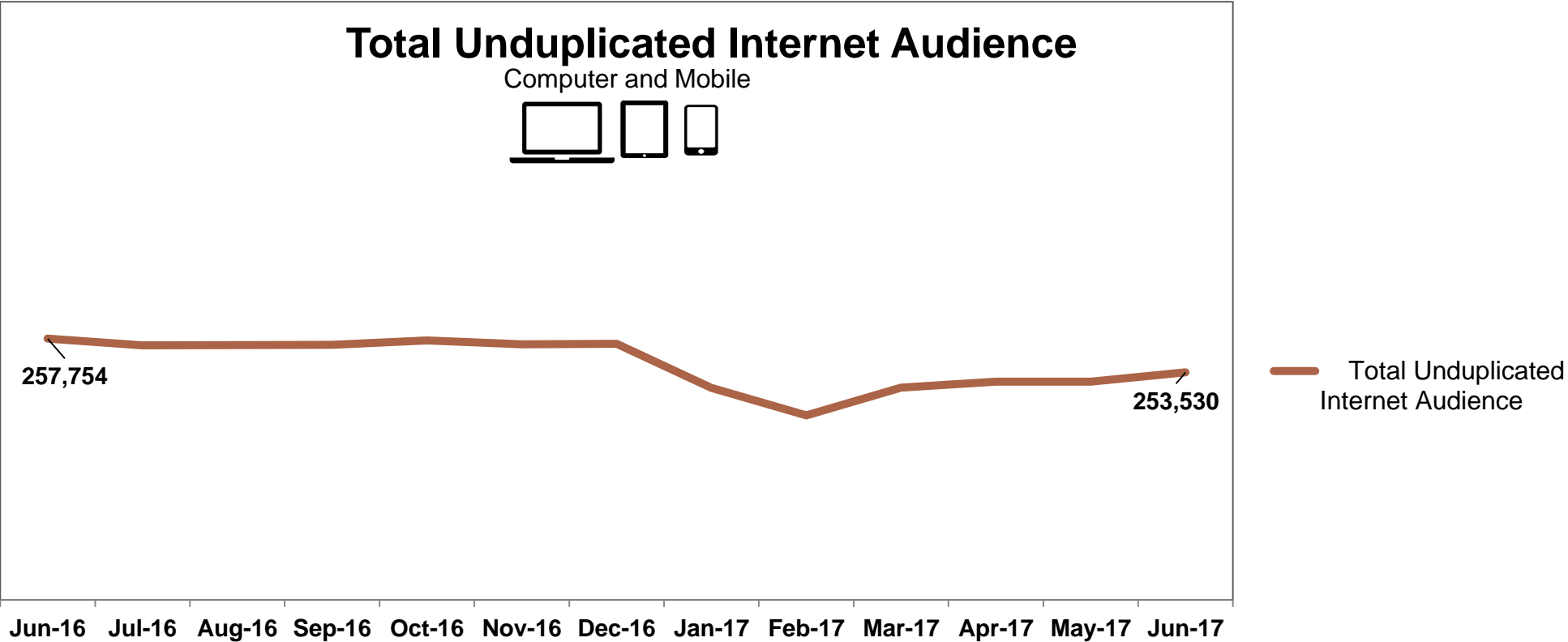
Total Media Ad
Revenue Growth
(HY 2016 vs. HY 2017)

The Nielsen Company estimates total media revenues for HY 2017 **decreased -2%**

253 Million Americans Access the Internet Monthly on Computers or Mobile Devices

- The total audience accessing the internet via computer or mobile device is 253 million monthly visitors (or 78% of the US population of 325M*).

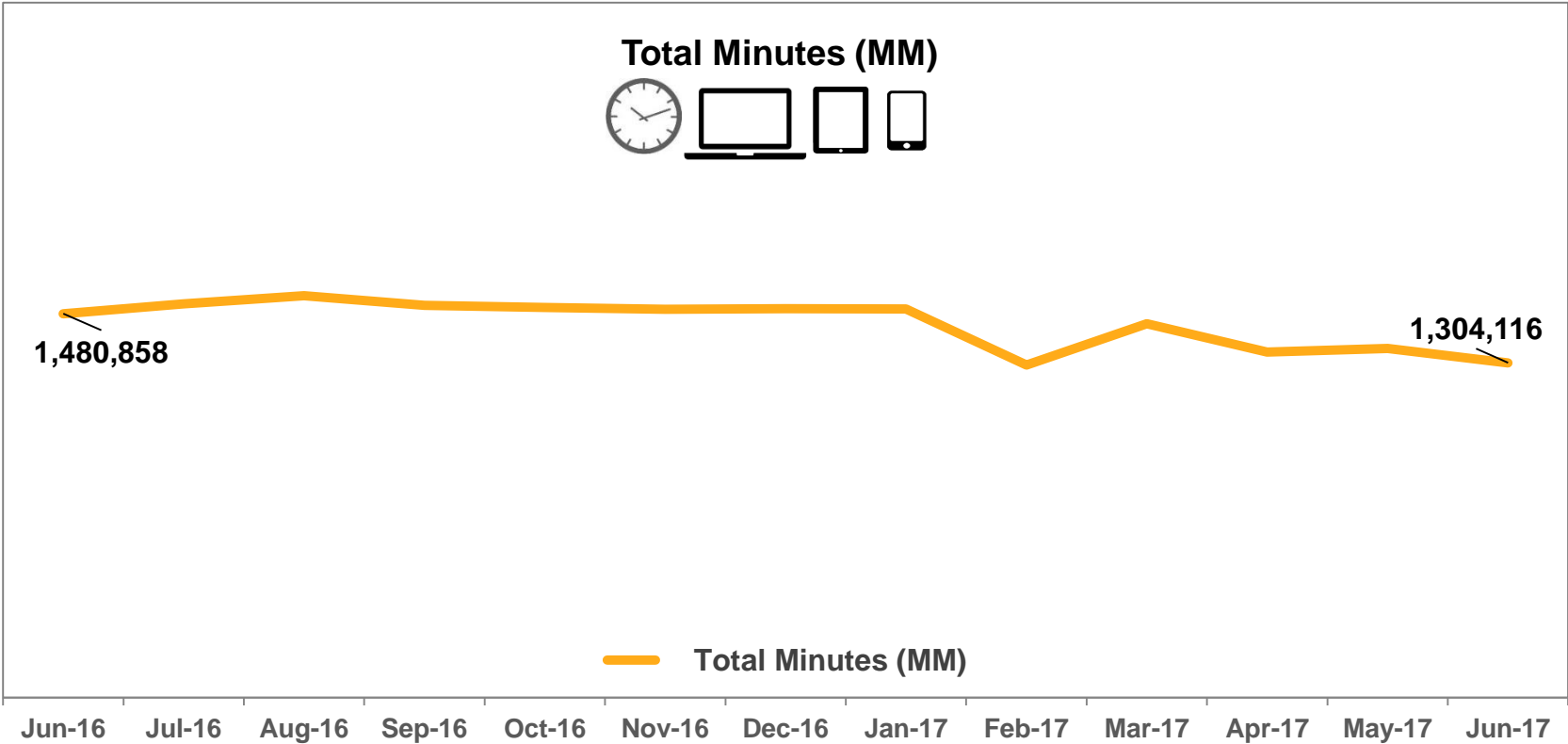
Monthly Unique Visitors (000), Dec 2015 – Dec 2016
(of any site or app via computer or mobile device)



Effective with January 2016 data, the comScore audience product suite (Media Metrix MP, Media Metrix, Video Metrix, Mobile Metrix) underwent methodology and processing enhancements affecting all markets and all audience products. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months related to duration data for Android smartphones.
ComScore US Media Metrix Multi-Platform, Total Unduplicated Internet Audience.
*US Census Bureau estimates US population to be 325M as of July 2017.

US Consumers Spent 1.3 Trillion Minutes Online in June 2017 Via Computer or Mobile Device

Monthly Total Minutes (MM) Jun 2017 – Jun 2017
(of any site, stream or app via computer or mobile device)



Source: ComScore US Media Metrix Multi-Platform
Effective with January 2016 data, the comScore audience product suite (Media Metrix MP, Media Metrix, Video Metrix, Mobile Metrix) underwent methodology and processing enhancements affecting all markets and all audience products.
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Monthly Internet Usage Summary



253 Million Users

Access the
Internet Monthly

on **Computers or
Mobile Devices**
on sites or apps
(in Jun. 2017)



**1.3 Trillion
Minutes**

Spent
Online Monthly

on **Computers or
Mobile Devices**
on sites or apps
(in Jun. 2017)



**714 Billion
Views**

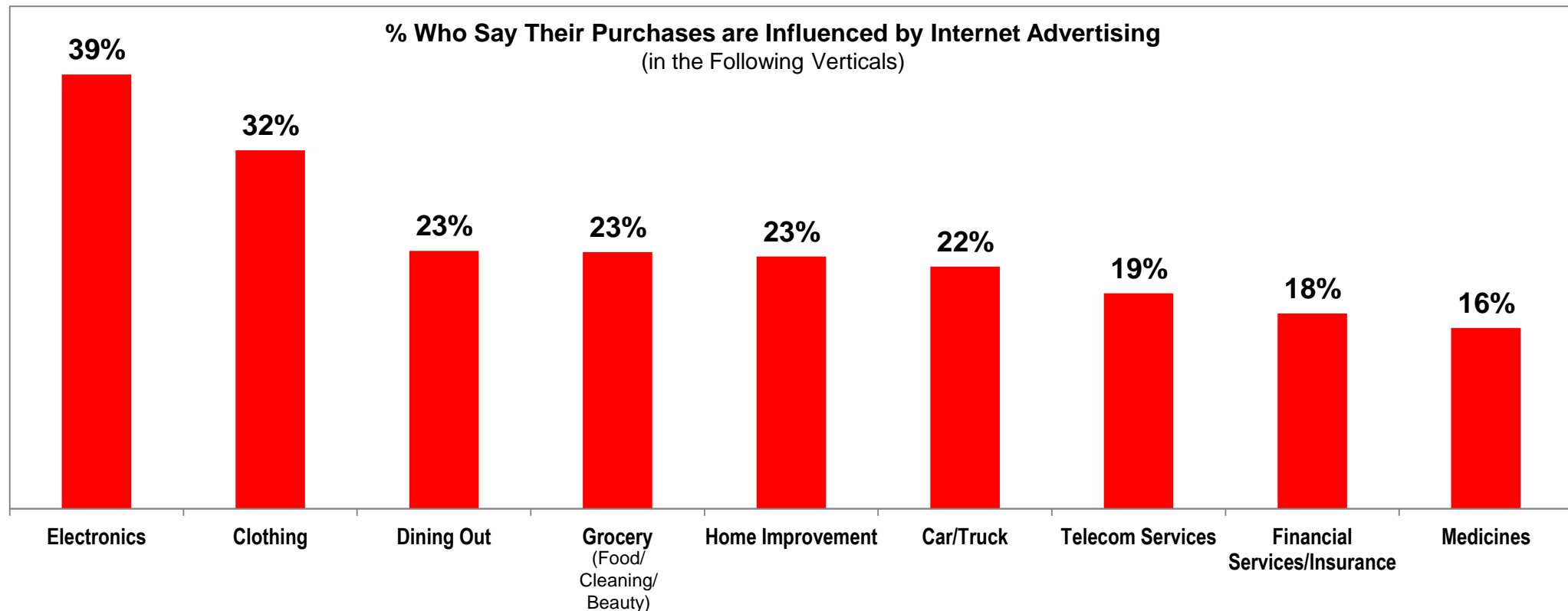
of Pages, Videos or Apps
Monthly

on **Computers or
Mobile Devices**
on sites or apps
(in Jun. 2017)

Source: ComScore US Media Metrix Multi-Platform Dec. 2016

Impact of Digital: Internet Advertising Influences Purchase Decisions

- 39% of US adults say their electronics purchases are influenced by internet advertising



Prosper Insights, Media Behavior and Insights data, Jan. 2017. n=16,644 US Adults 18+



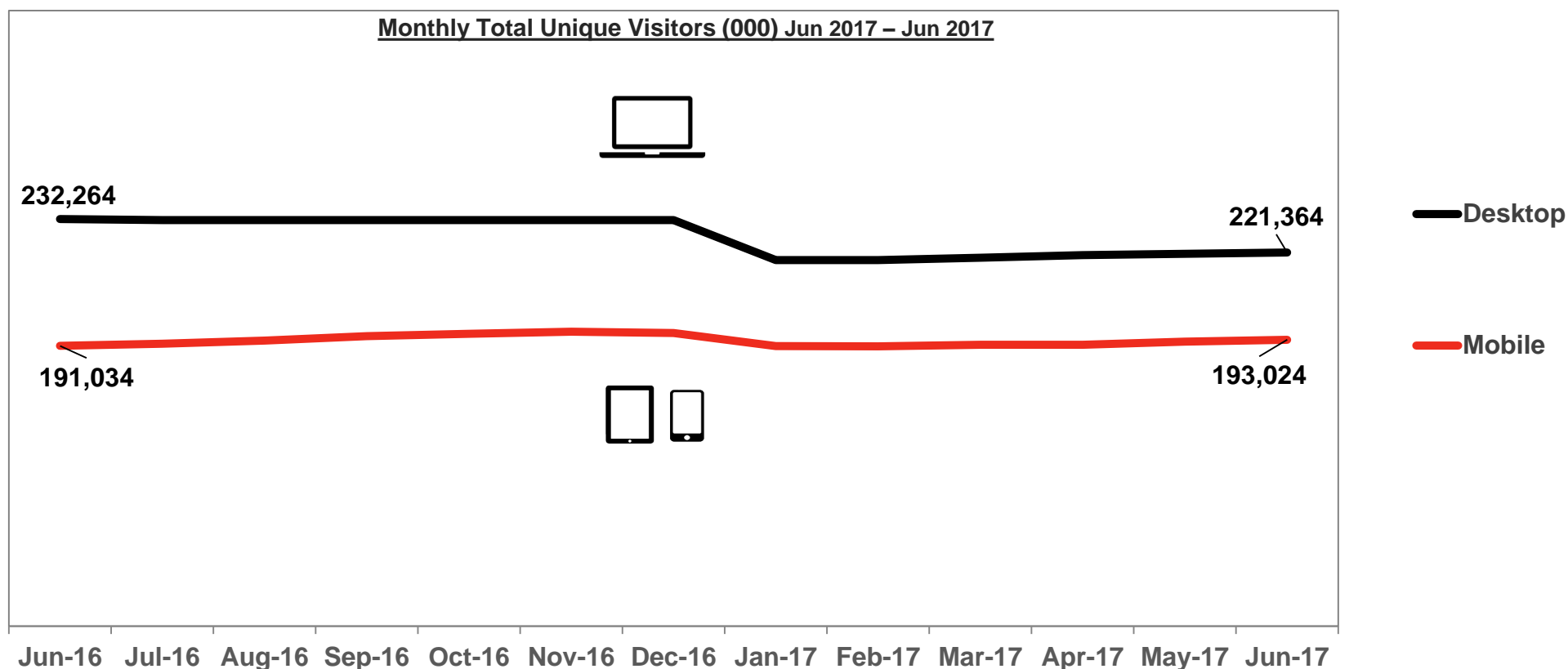
Desktop and Mobile Usage Patterns

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

One Year Trend of Unique Monthly Visitors on Desktop and Mobile

- Overall, more consumers use a computer to access the internet than a mobile device
- However, the number of computer users is declining slightly while the number of mobile users is growing slightly



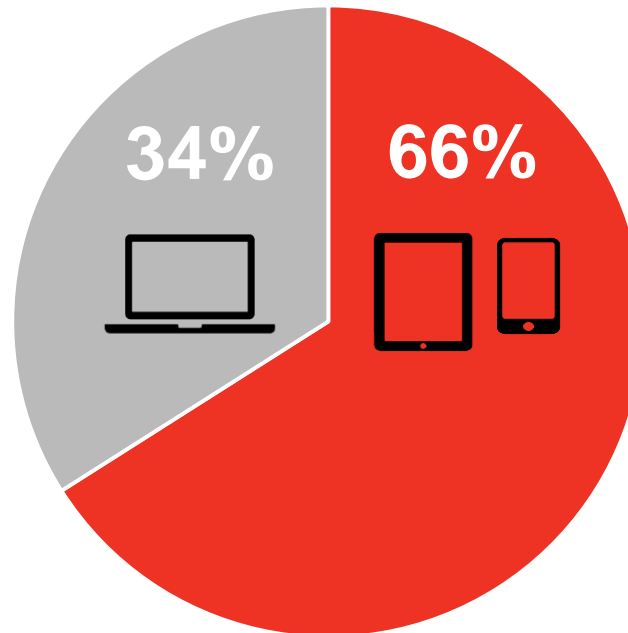
Source: ComScore US Media Metrix Multi-Platform, Mobile Metrix

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Most Time Spent Online Tends to be on a Mobile Device

- 2 out of every 3 minutes spent online is on a mobile device

Time Spent Online by Device
Monthly Online Minutes, Jun. 2017
On Desktop, Tablet or Smartphone (Mobile Browser or Apps)

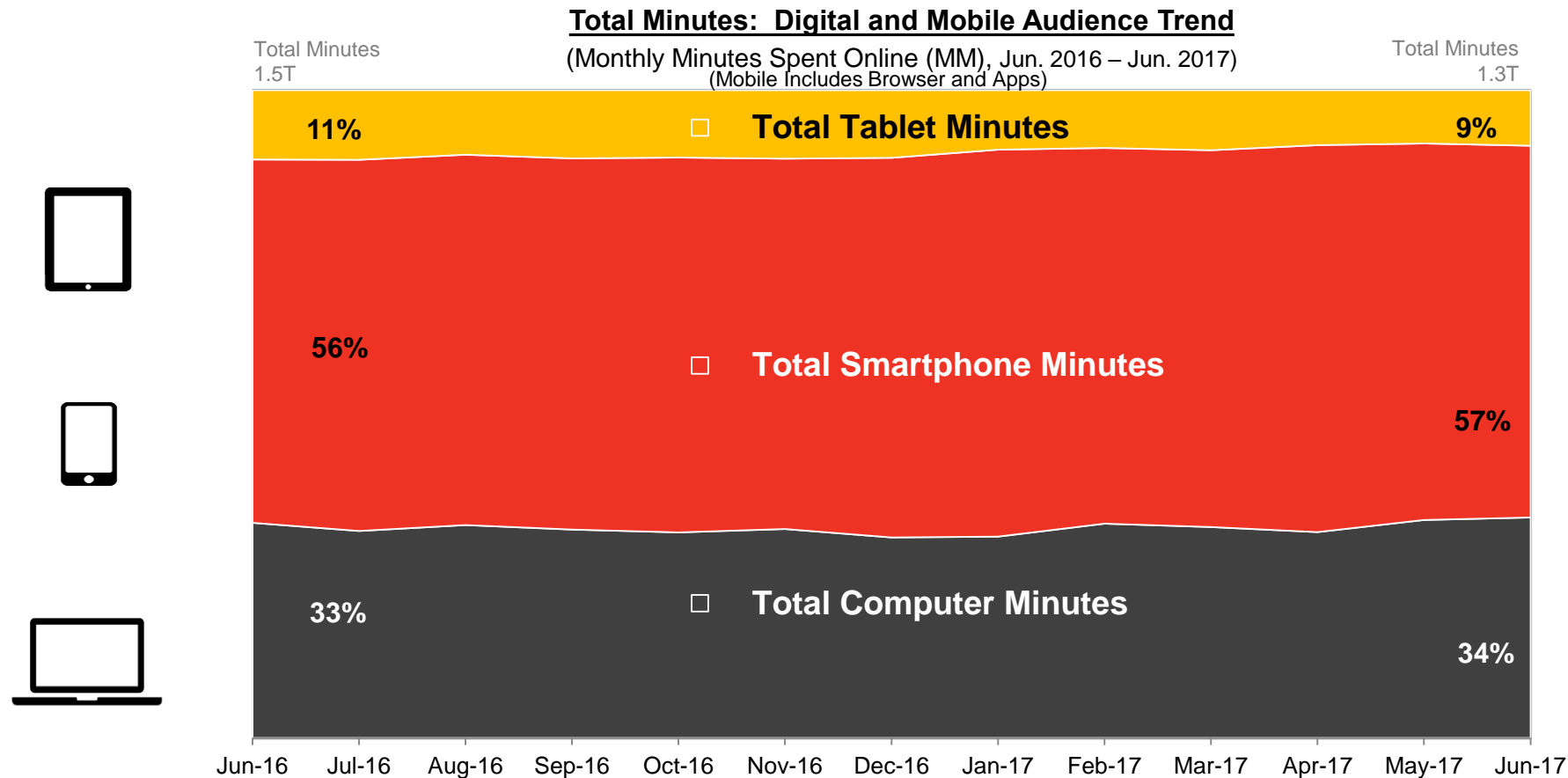


ComScore US Media Metrix Multi-Platform, Total Internet Time Spent

Effective with January 2017 data released in February 2017, the comScore audience product suite (Media Metrix Multi-Platform, Media Metrix, Video Metrix, Mobile Metrix) will undergo methodology and processing enhancements. All markets and all audience products will benefit from these methodology changes at that time. Related to these enhancements, reported data may show a break in trend.

Time Spent Online One Year Trend

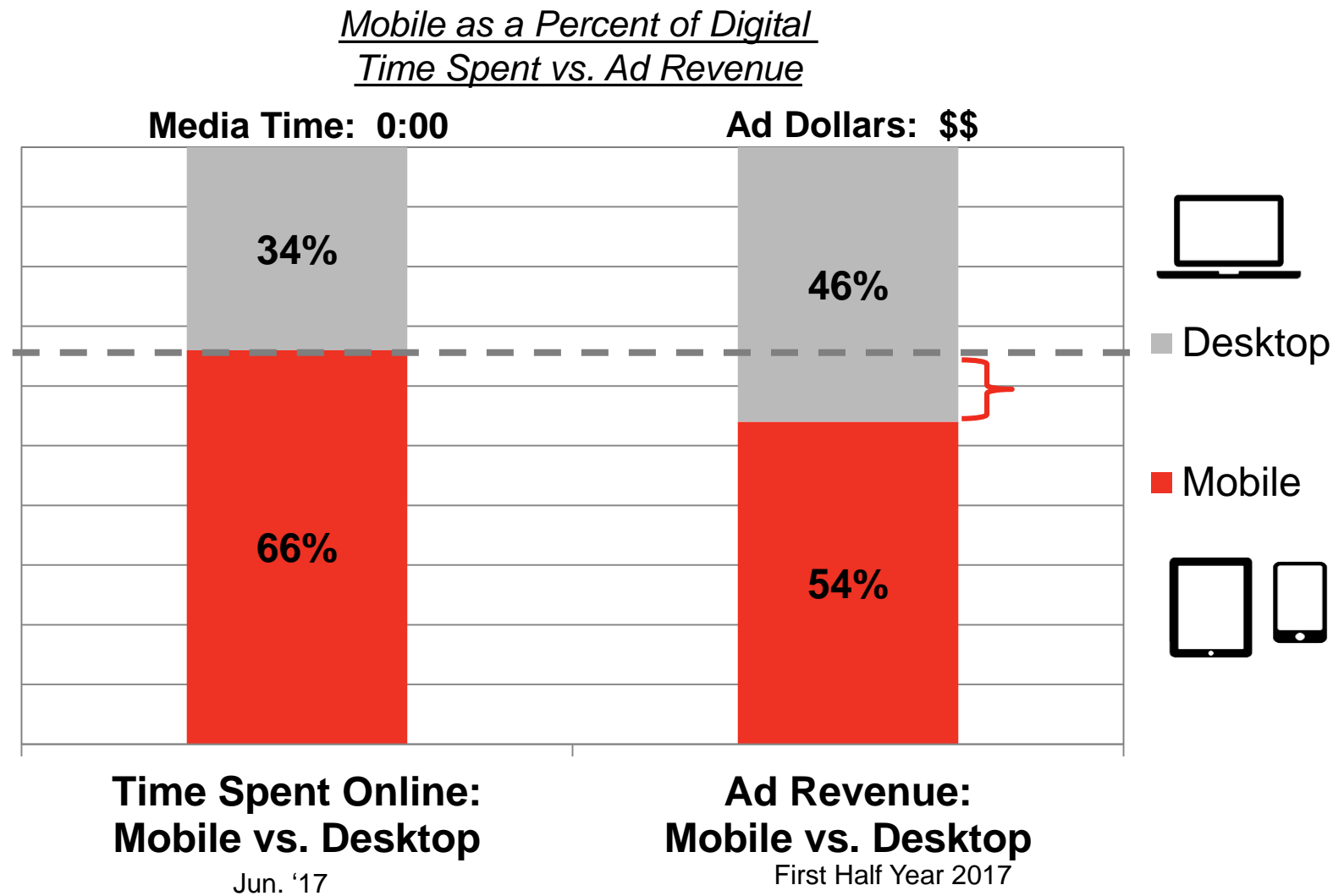
- More than half of all online minutes are spent on a smartphone



Source: comScore US Media Metrix, Mobile Metrix Jun. 16- Jun. '17, Total Internet Time Spent (MM)

Effective with January 2017 data released in February 2017, the comScore audience product suite (Media Metrix Multi-Platform, Media Metrix, Video Metrix, Mobile Metrix) will undergo methodology and processing enhancements. All markets and all audience products will benefit from these methodology changes at that time. Related to these enhancements, reported data may show a break in trend. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months. The restatement is related to duration data for Android smartphones

Mobile Advertising Revenue is Catching Up to Consumer Usage But Still Has Room for Growth



ComScore US Media Metrix Multi-Platform, Total Internet Time Spent (MM)



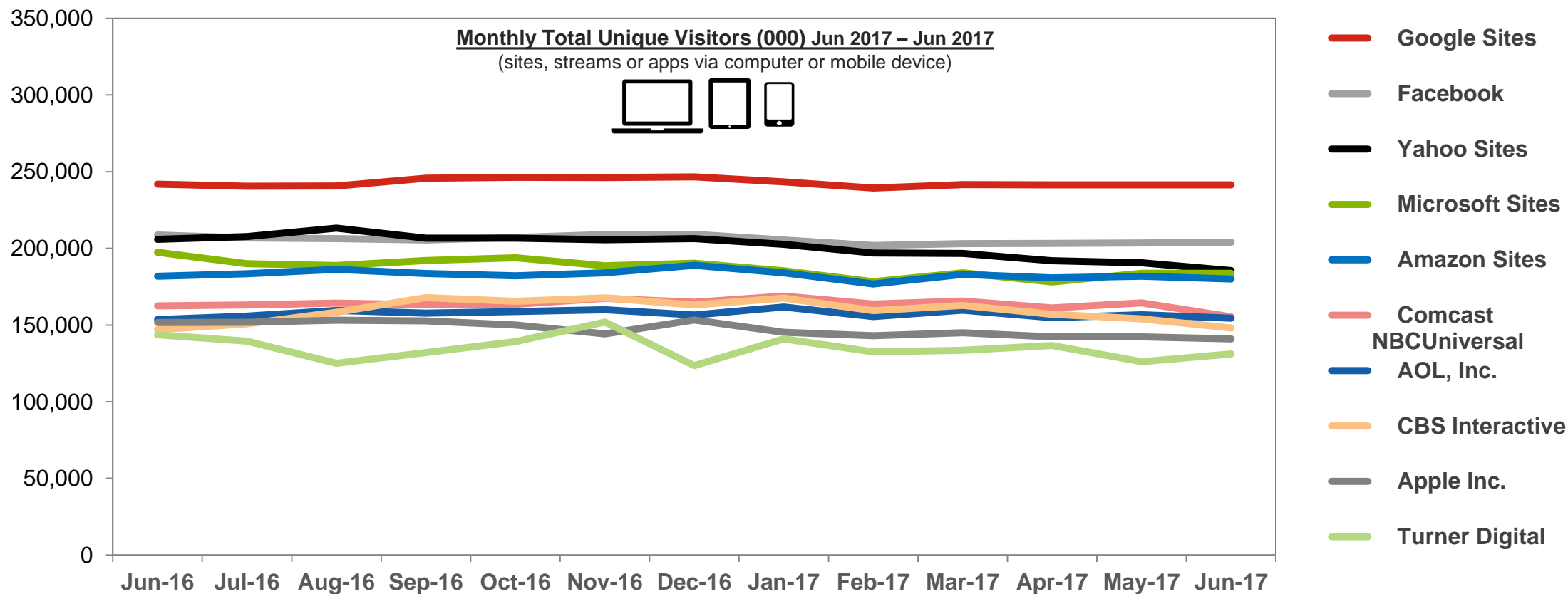
Top Sites Visited by Mobile and Computer

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

One Year Trend of Unique Monthly Visitors to Top 10 Properties

- Roughly 150M – 250M visited the Top 10 sites monthly.

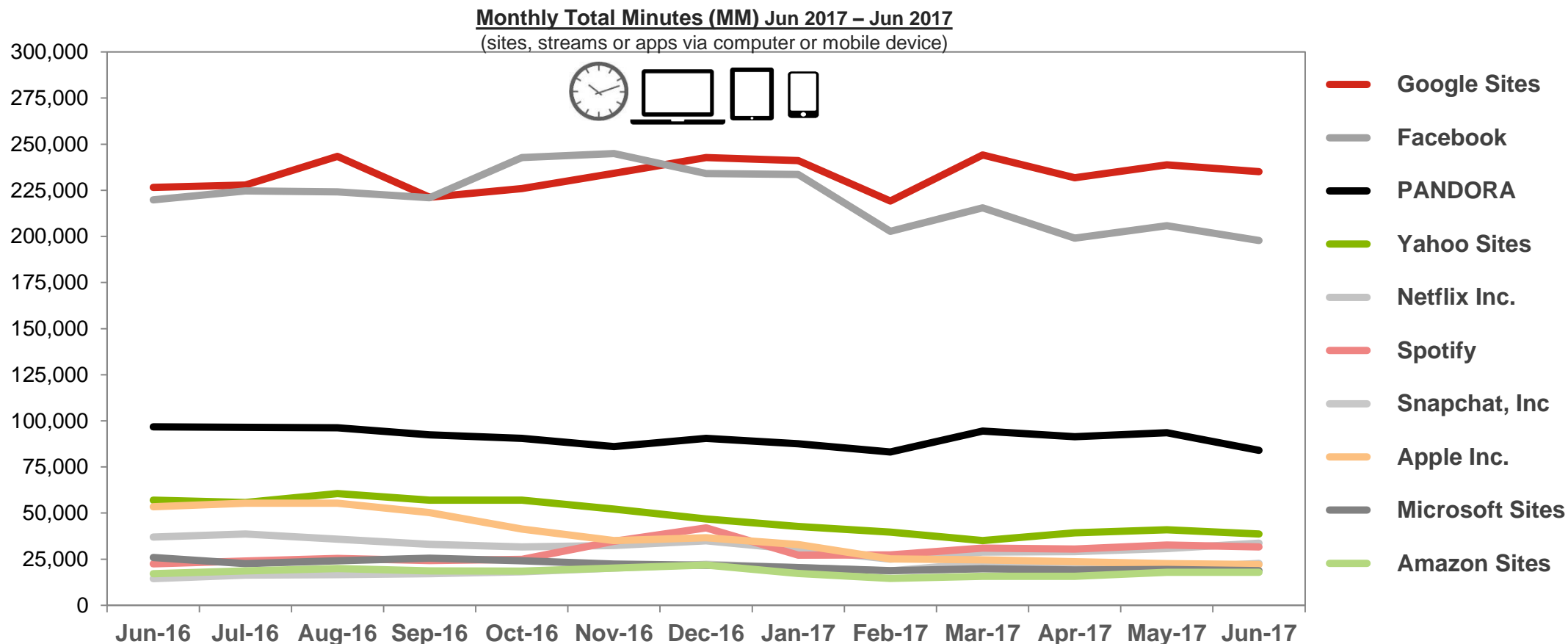


Source: ComScore US Media Metrix Multi-Platform

Effective with January 2017 data, the comScore audience product suite underwent methodology and processing changes, resulting in break in trend. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months, in relation to duration data for Android smartphones. Due to new forms of non-user initiated activity, iPhone reporting for [P] Twitter was inflated from April 2017 – Oct. 2016 and in turn impacted Total Mobile reporting. Weather Company, The™ topline Unique Visitors were overstated for February '16-August '16 and underestimated in Nov.-Feb.2017 Multi-platform data. Yahoo was under reported for Mobile and Multi-Platform data in April Comcast NBCUniversal September 2016 Minutes were overstated.

One Year Trend of Time Spent on Top 10 Properties

- Over the course of a year, consumers have started to spend more time on Google than on Facebook

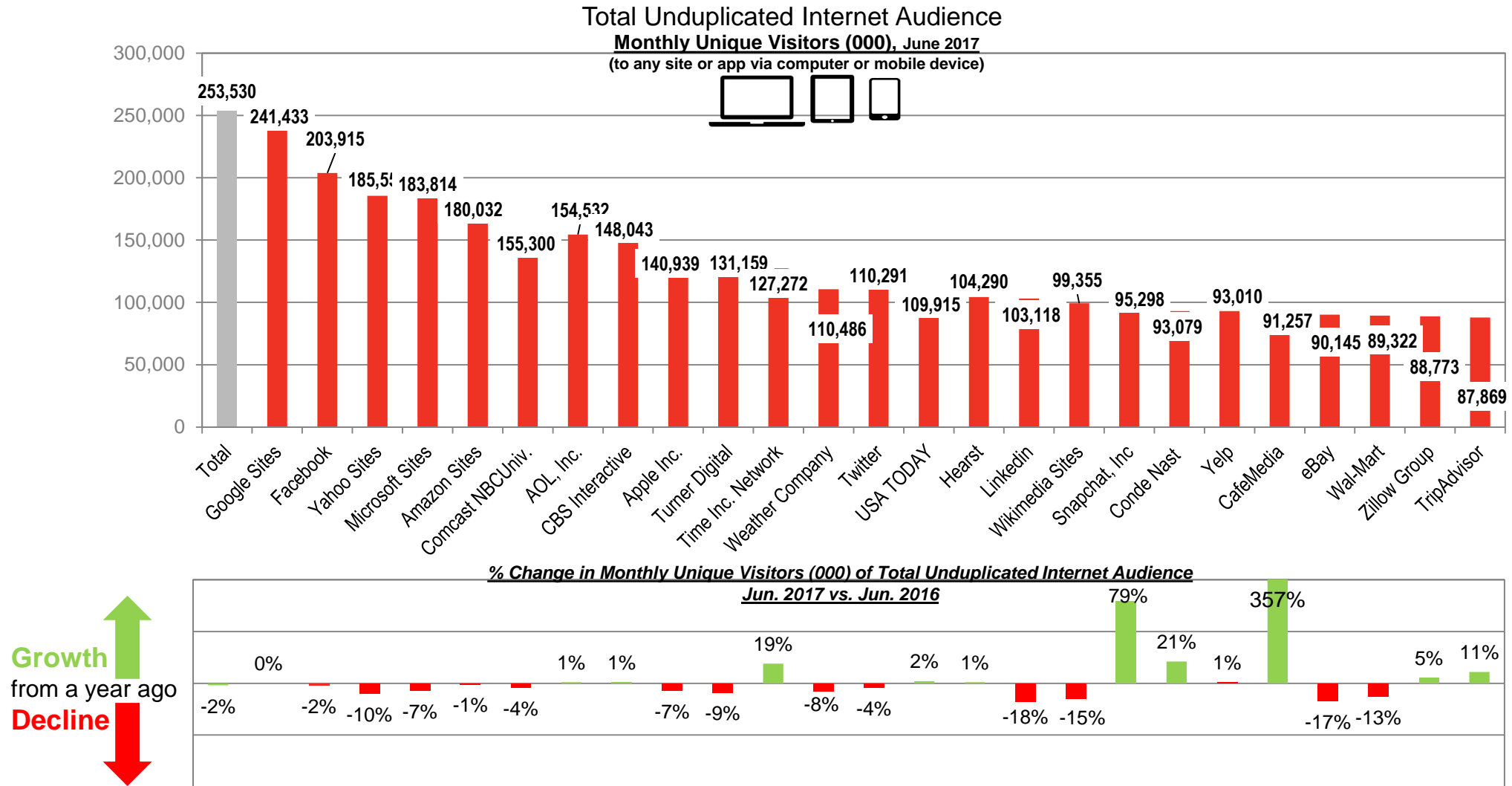


Source: ComScore US Media Metrix Multi-Platform

Effective with January 2016 data, the comScore audience product suite (Media Metrix MP, Media Metrix, Video Metrix, Mobile Metrix) underwent methodology and processing enhancements affecting all markets and all audience products. Effective with January 2017 data, the comScore audience product suite underwent methodology and processing changes, resulting in break in trend. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months, in relation to duration data for Android smartphones.

Top 25 Properties with the Most Visitors Accessed by Computer or Mobile

by Unduplicated Monthly Unique Visitors

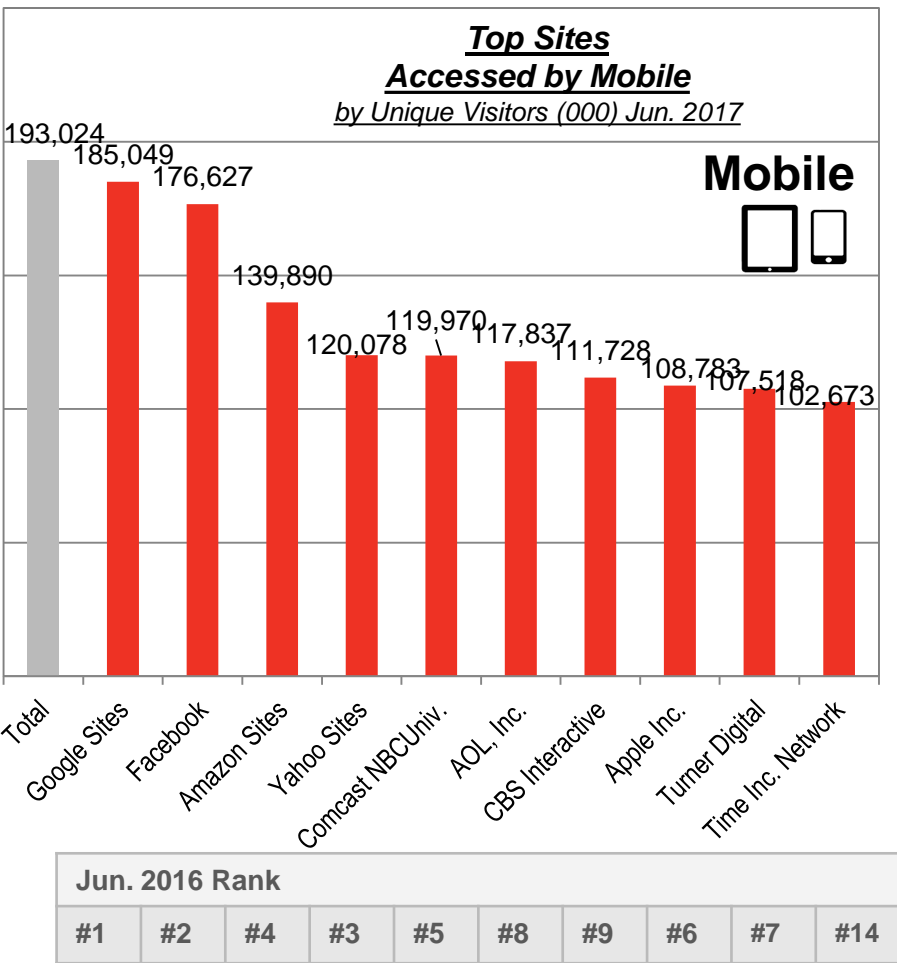
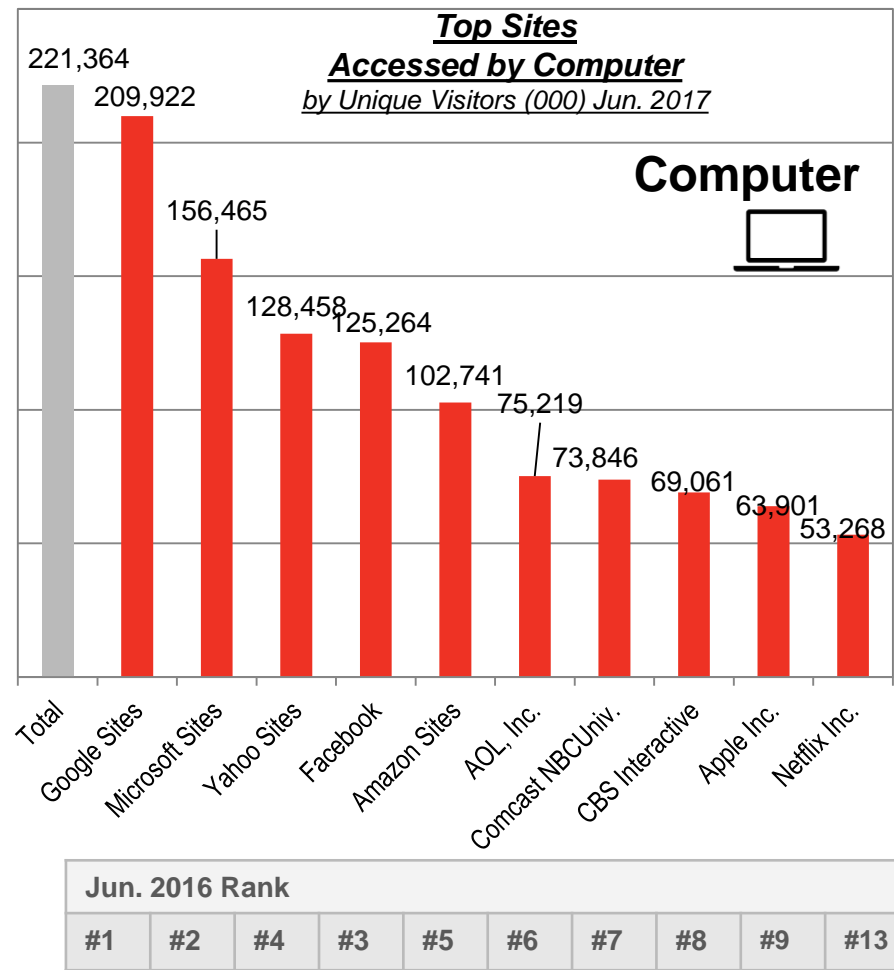


comScore US Media Metrix Multi-Platform, Total Unduplicated Internet Audience, Monthly Unique Visitors (000)



Slight Differences Between Top 10 Most Visited Sites Accessed by Computer vs. Mobile Device

by Unique Visitors

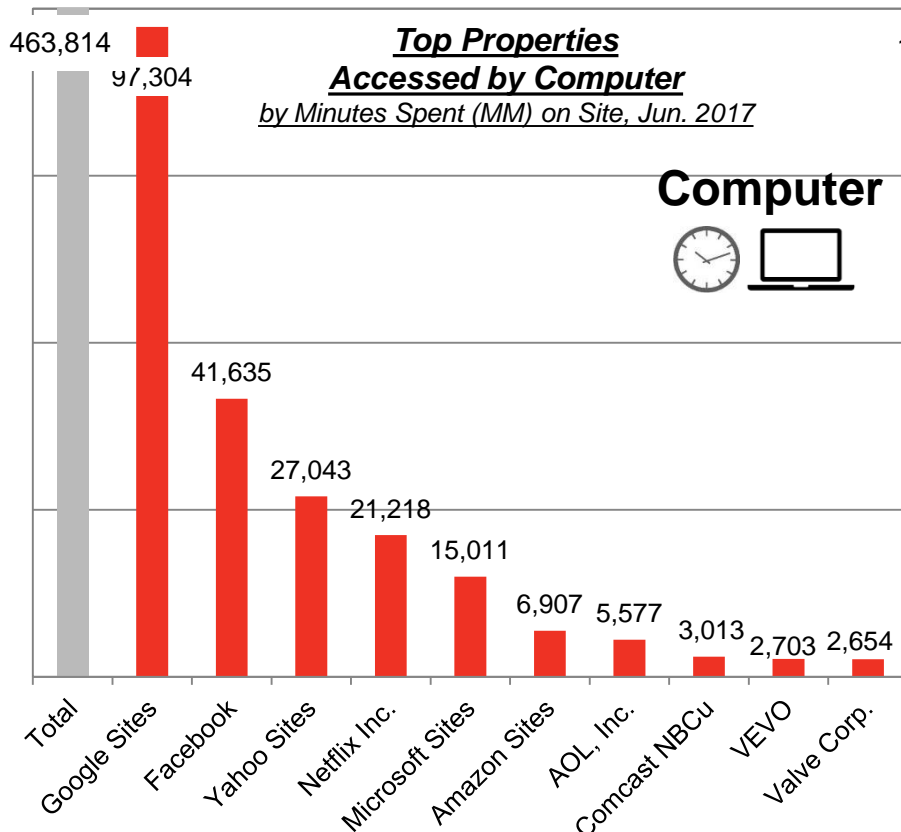


comScore US Media Metrix (Desktop only), Mobile Metrix, Unique Monthly Visitors (000).

On August 18, 2017 US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months. The restatement is related to duration data for Android smartphones. FAQs regarding this restatement can be accessed [here](#).

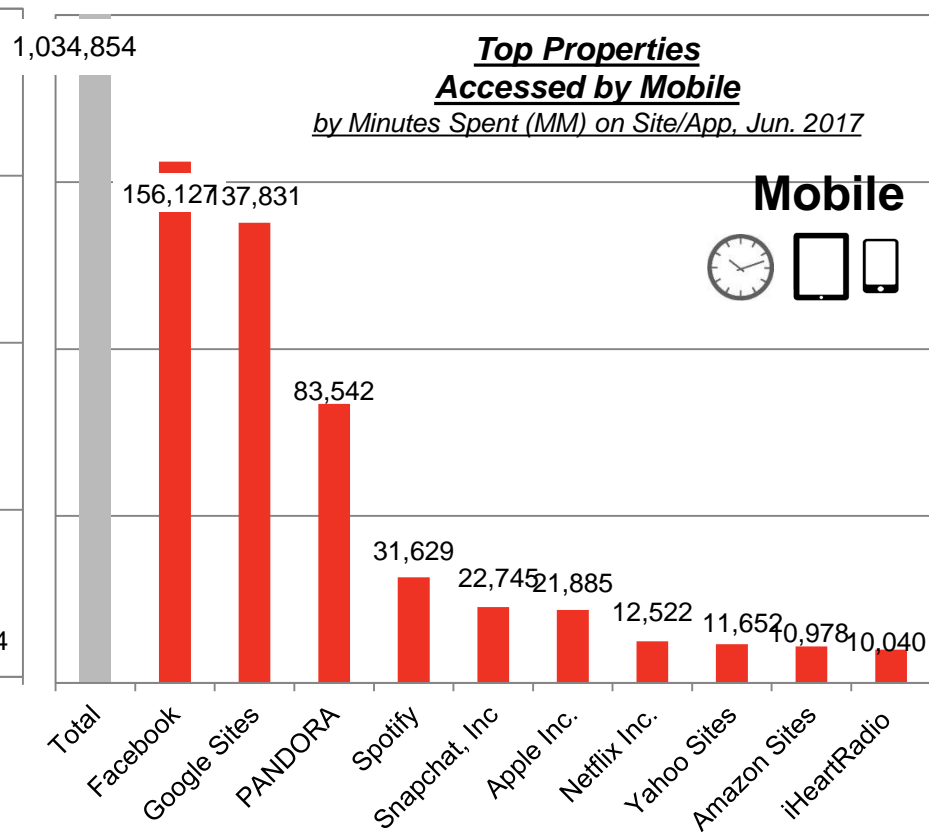
More Apparent Differences in Top 10 Sites by Time Spent Online by Device

- After Google and Facebook, most computer time online is spent on portals, retail and TV/video streaming sites
- After Facebook and Google, most mobile time is spent streaming radio, video, accessing apps, chat and retail



Jun. 2016 Rank

#1	#2	#3	#4	#5	#8	#6	#7	#14	N/A
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Jun. 2016 Rank

#1	#2	#3	#5	#8	#4	#10	#6	#9	#11
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comScore US Media Metrix (Desktop only), Mobile Metrix, Minutes Spent Online (MM)

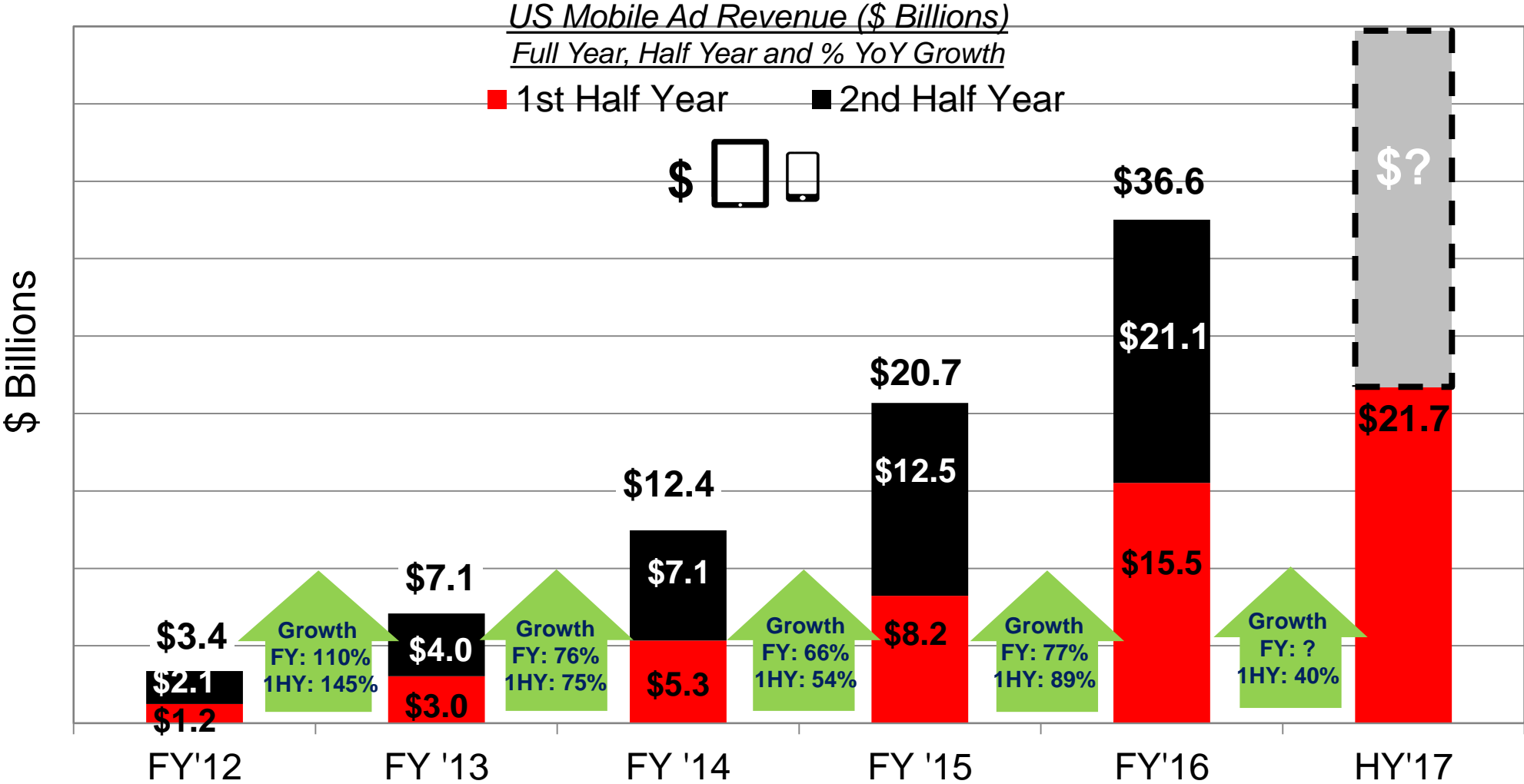


Mobile

Digital Trends:

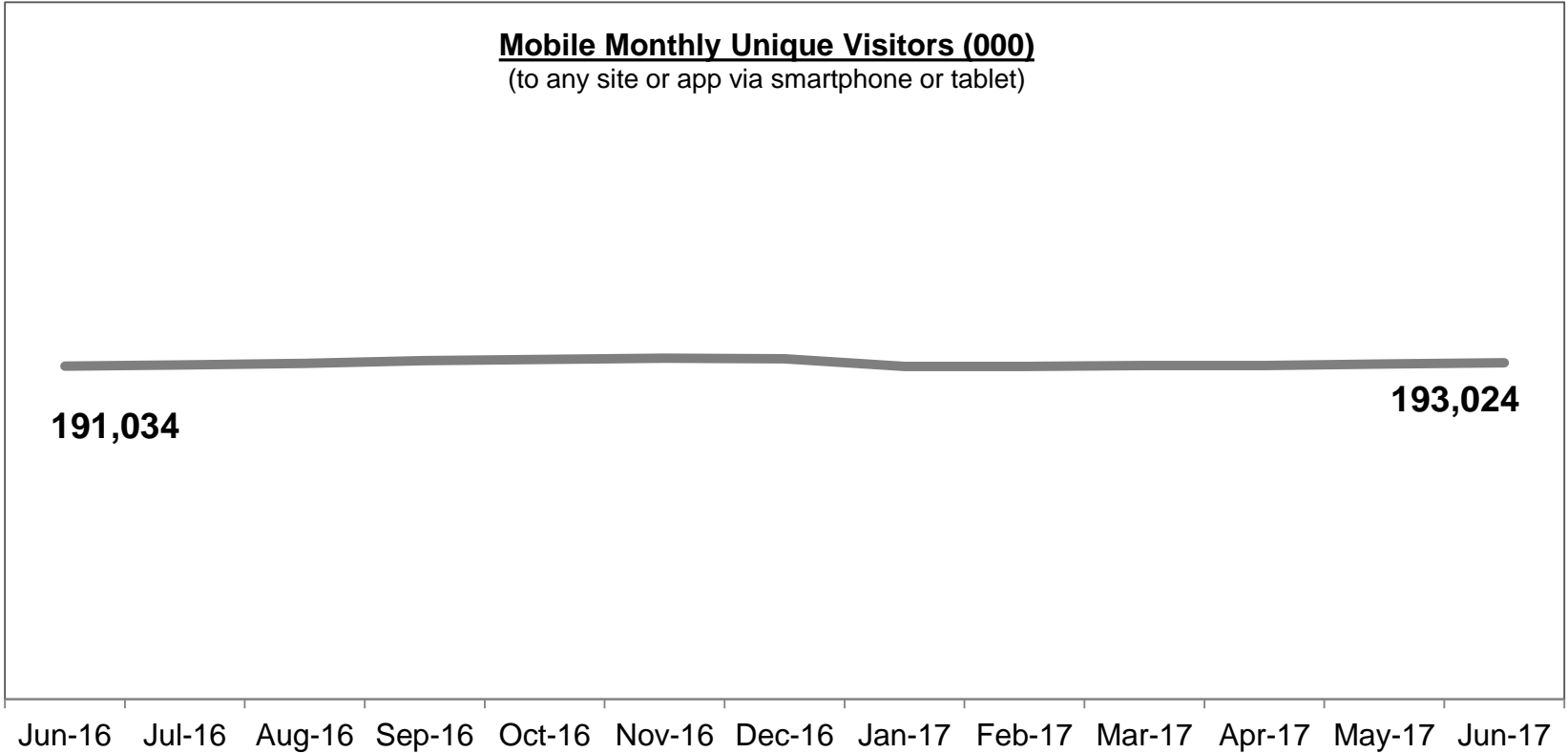
Consumer Usage of Digital and its Influence on Ad Revenue

Mobile Advertising Revenue: Continued Double-Digit Growth



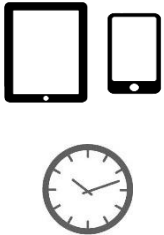
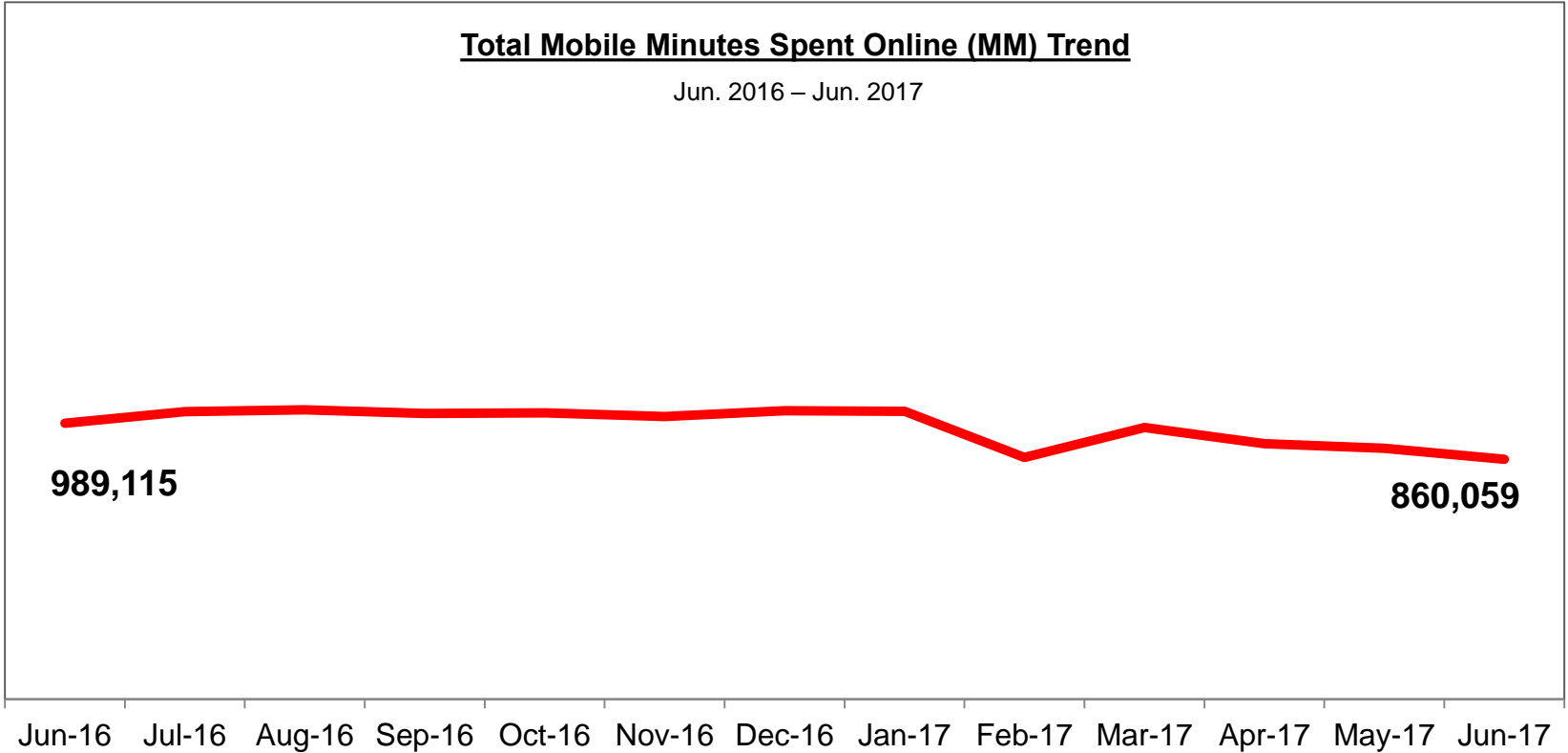
Note: Full Year totals accurately reflect the sum of Half Year totals as rounded to two decimal places.

Number of Mobile Unique Visitors is Steady



Source: comScore US Mobile Metrix, Total Unique Visitors on Smartphone or Tablet, Site or App.
Effective with January 2017 data, the comScore audience product suite underwent methodology and processing changes, resulting in break in trend. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months, in relation to duration data for Android smartphones.

One Year Trend of Time Spent Online on Mobile Devices



Source: comScore US Media Metrix Multi-Platform, Internet Time Spent on Smartphone and Tablet , Total Monthly Minutes (MM). Mobile includes browser and apps
Effective with January 2017 data, the comScore audience product suite underwent methodology and processing changes, resulting in break in trend. US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months, in relation to duration data for Android smartphones.

Monthly Mobile Internet Usage Summary



193 Million
Used a
Mobile Device
to
Access the Internet
in
June 2017



860 Billion
Minutes
Spent on
Mobile Devices
to
Access Sites or Apps
in
June 2017

ComScore US Mobile Metrix Jun. 2017

More Consumers Use Smartphones and for Longer Than Use Tablets to Access the Internet

Total Mobile Minutes Online

Total Mobile Minutes on Browser vs. In App

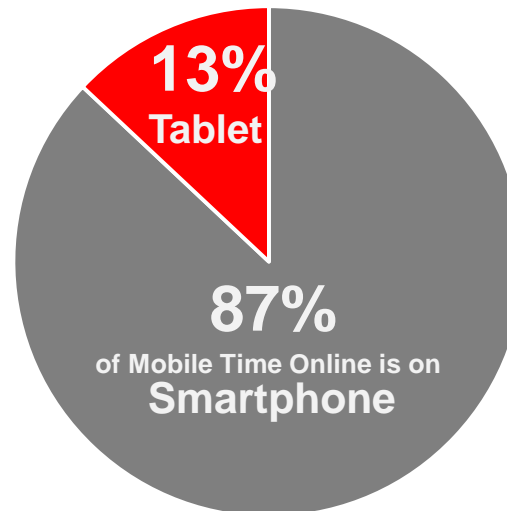
■ Total Smartphone Minutes

■ Total Tablet Minutes



174 Million

Accessed the Internet via
Smartphone
in June 2017



June 2017

96 Million

Accessed the Internet via
Tablet
in June 2017



comScore US Mobile Metrix, Jun'17, Total Minutes (000) Browsing, Applications
comScore US Media Metrix Multi-Platform, Jun'17, Total Monthly Unique Users Accessing Mobile App (MM)



Mobile Apps vs. Mobile Web

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

While Most Consumers Use Both Mobile Apps and Mobile Web, More Time is Spent in App

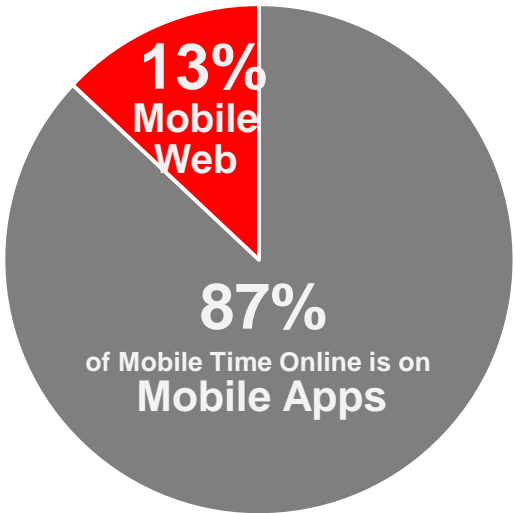
Total Mobile Minutes Online

Total Mobile Minutes on Browser vs. In App

■ Total App Minutes ■ Total Browser Minutes



181 Million Users
Accessed Mobile Apps
In Jun. 2017



Jun. 2017

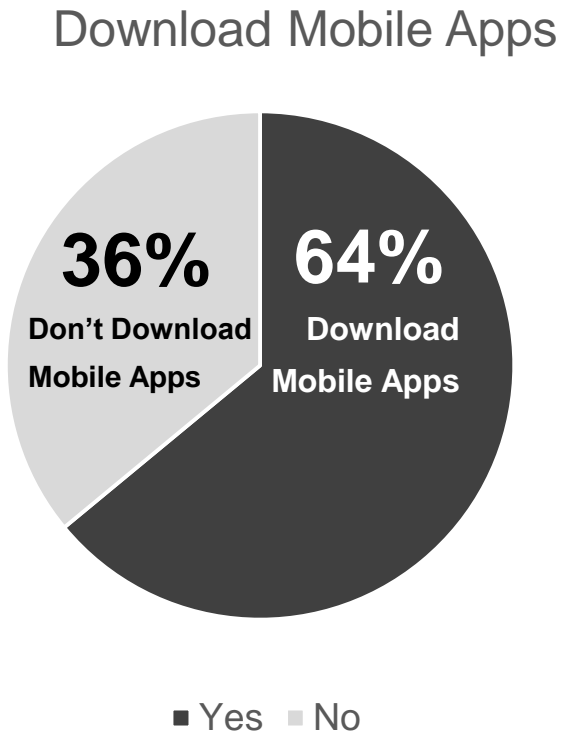
169 Million Users
Accessed Mobile Web
In Jun. 2017



comScore US Mobile Metrix, Total Minutes (000) Browsing, Applications
comScore US Media Metrix Multi-Platform, Total Monthly Unique Users Accessing Mobile App (MM)

Nearly Two-Thirds of US Adults Download Mobile Apps

Do you download apps to your mobile device?

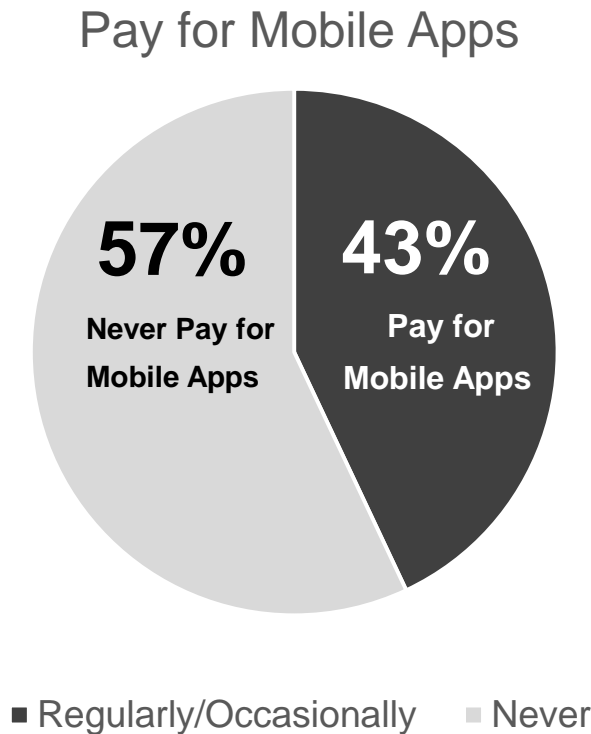


IAB Analysis of Prosper Media Behavior & Influence Data
Jan. 2017. n=16,644 US Adults 18+

Less Than Half of US Adults Pay for Mobile Apps

➤ Providing opportunities for mobile advertising in ad-supported free apps

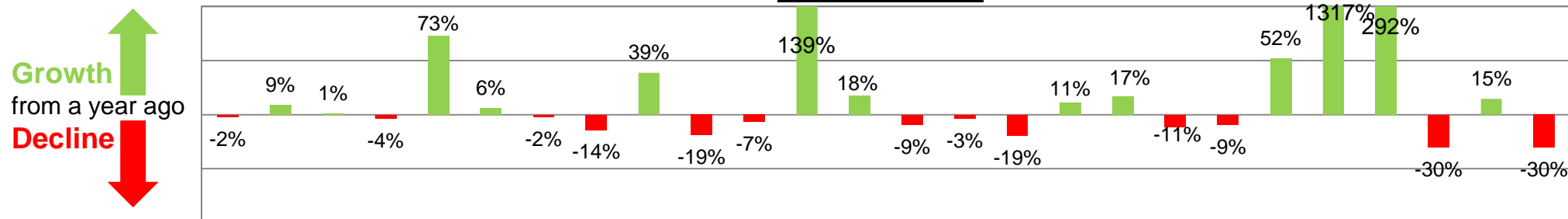
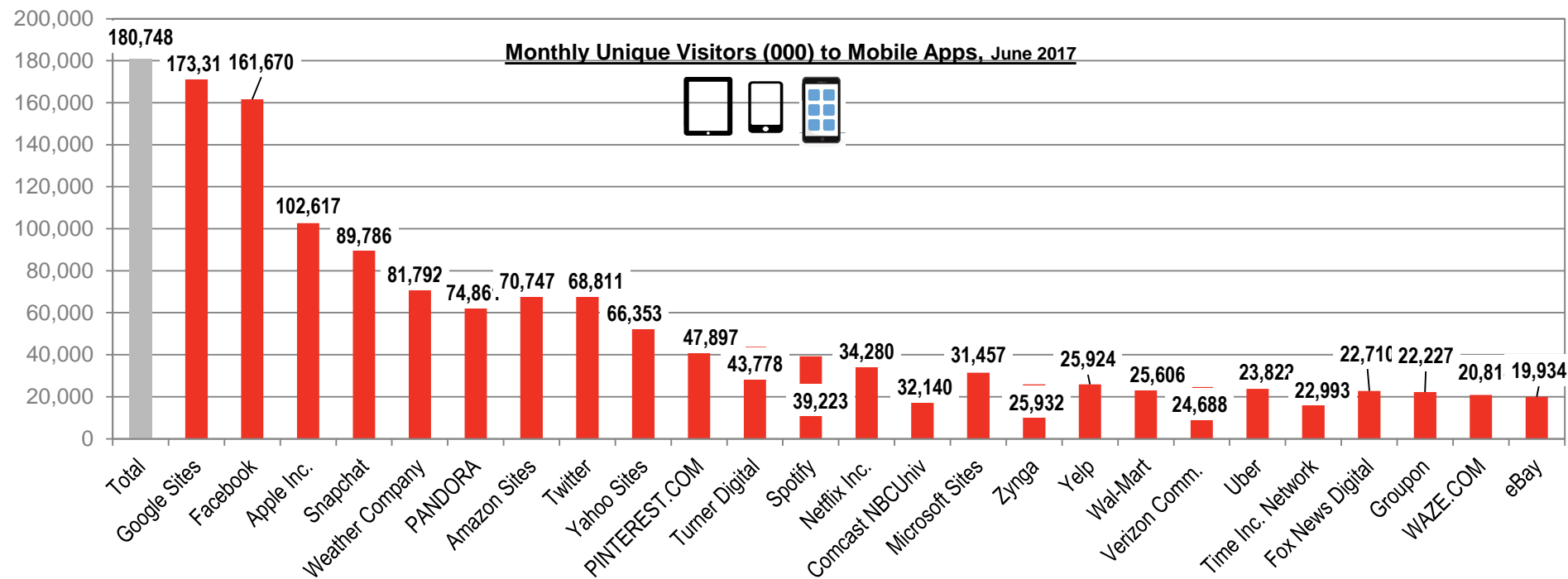
How often do you pay for apps you use on your Smartphone or Tablet?



IAB Analysis of Prosper Media Behavior & Influence Data
Jan. 2017. n=16,644 US Adults 18+

Top 25 Most Popular Mobile Apps

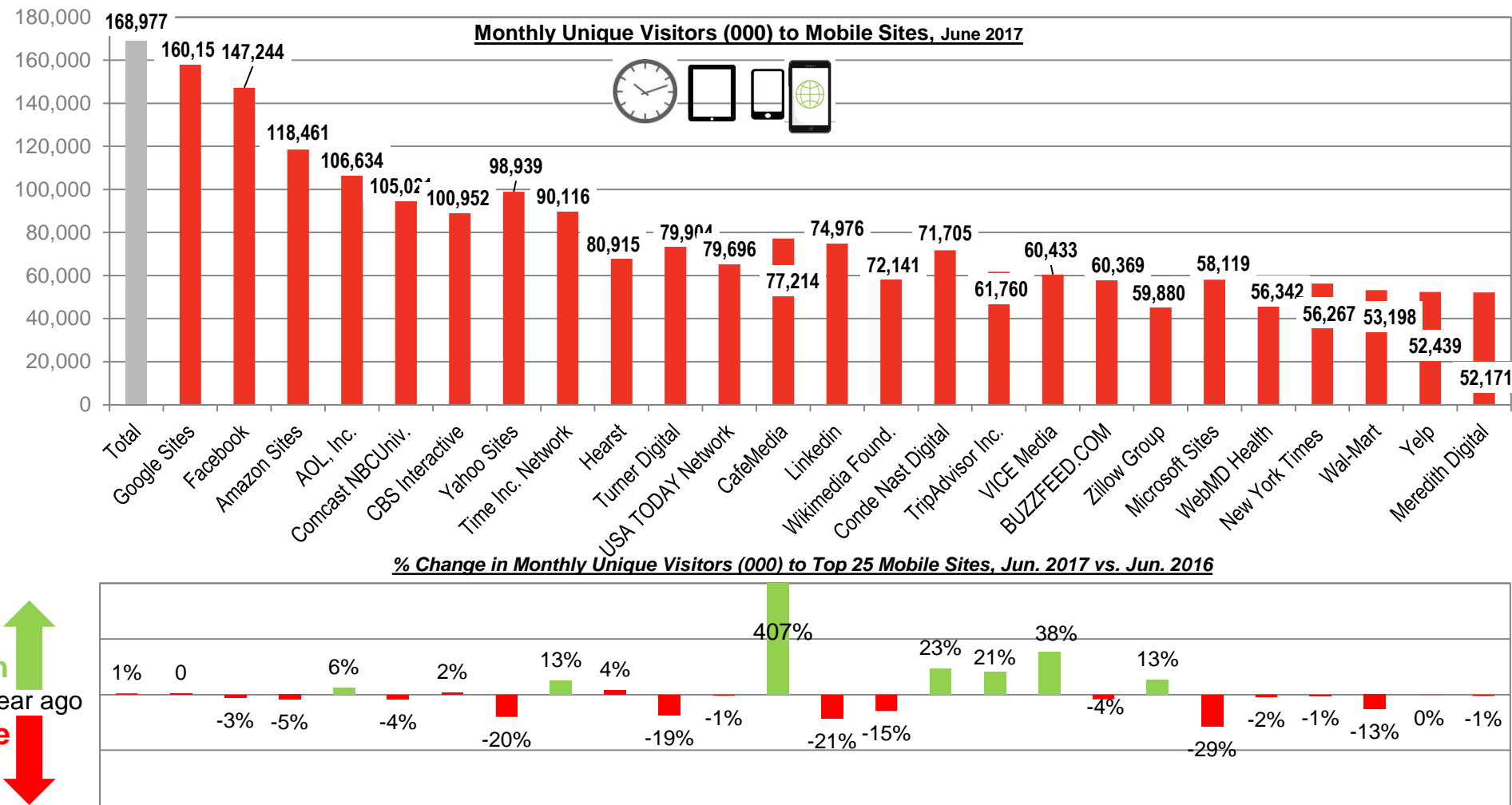
by Unduplicated Monthly Unique Visitors



comScore US Media Metrix Multi-Platform. Total Unduplicated Internet Audience, Monthly Unique Visitors (000)

Top 25 Most Visited Mobile Sites

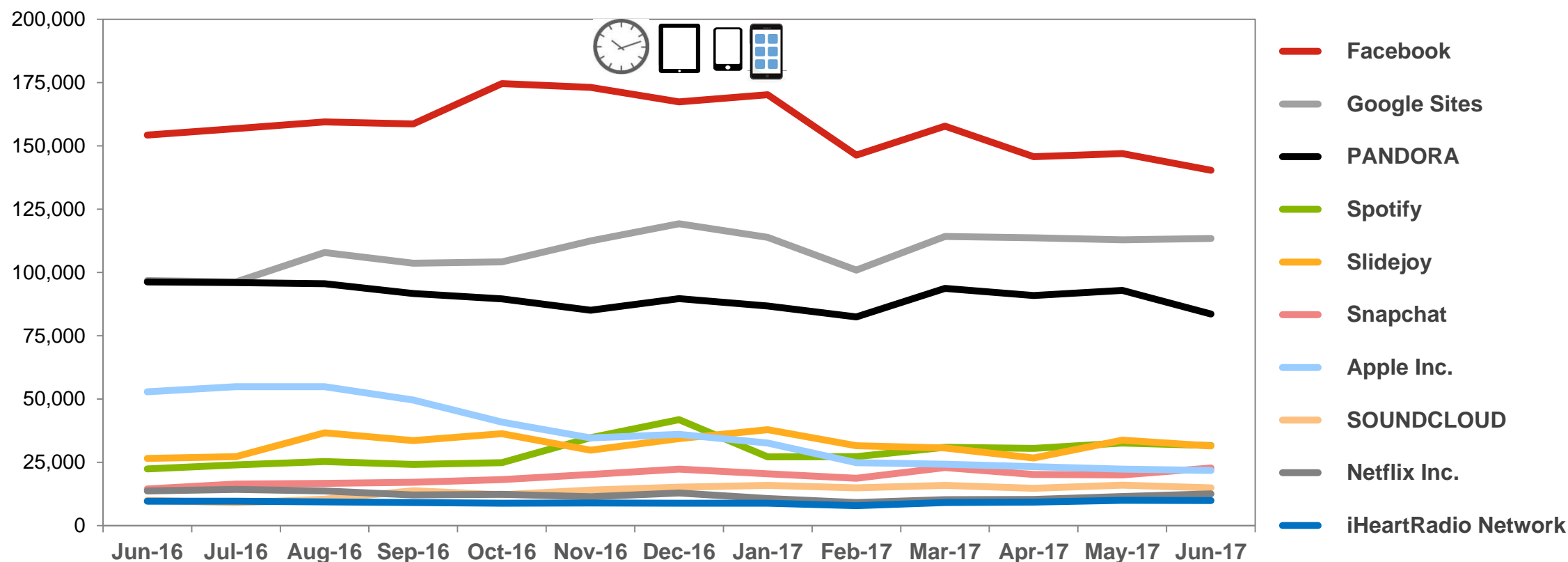
by Unduplicated Monthly Unique Visitors



One Year Trend of Time Spent on Top 10 Mobile Apps

- While Facebook is still the #1 app in terms of time spent online, consumers have started to spend less time on it and more time on Google apps
- 4 out of the top 10 mobile apps are exclusively music streaming apps
- Pandora's app is almost as popular as Google's apps

Monthly Total Minutes (MM) per Mobile App, Jun 2017 – Jun 2017

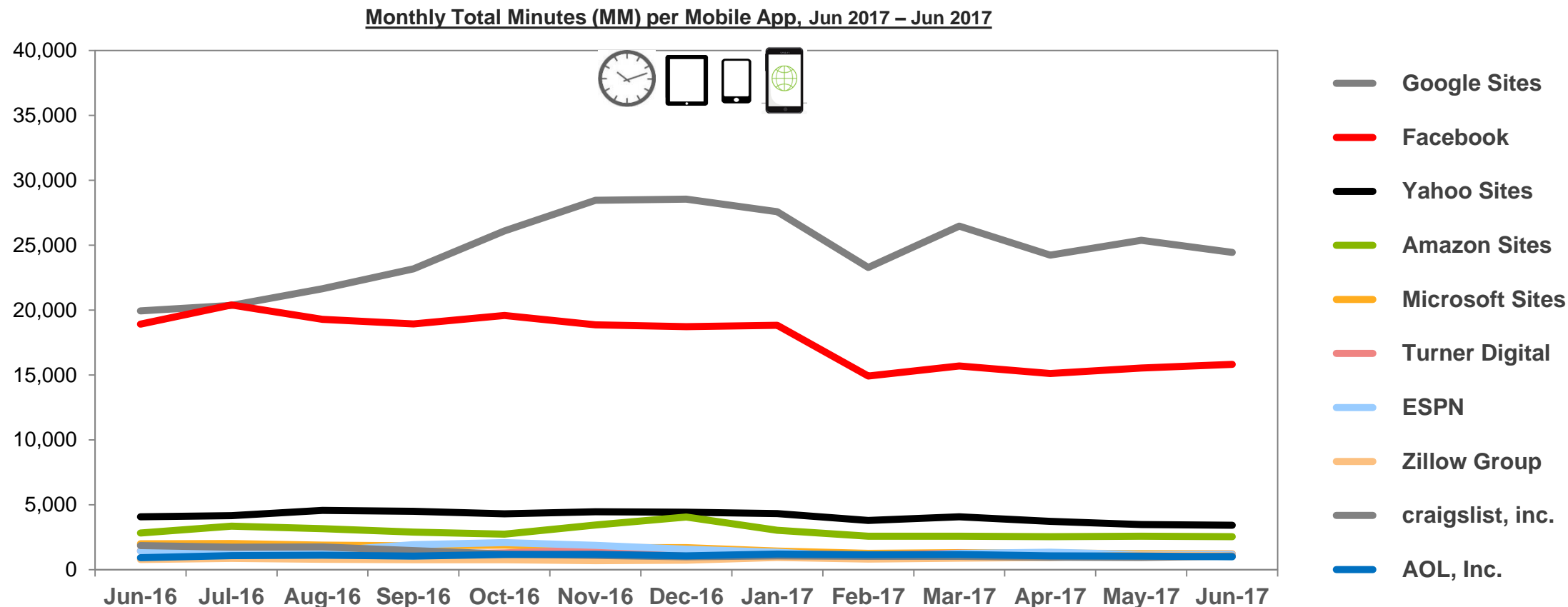


Source: ComScore US Media Metrix Multi-Platform

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One Year Trend of Time Spent on Top 10 Mobile Sites

- Over the course of a year, consumers have started to spend more time on Google sites than on Facebook's site
- Consumers spent the most mobile web time on Portals, TV sites, eCommerce and Real Estate sites



Source: ComScore US Media Metrix Multi-Platform

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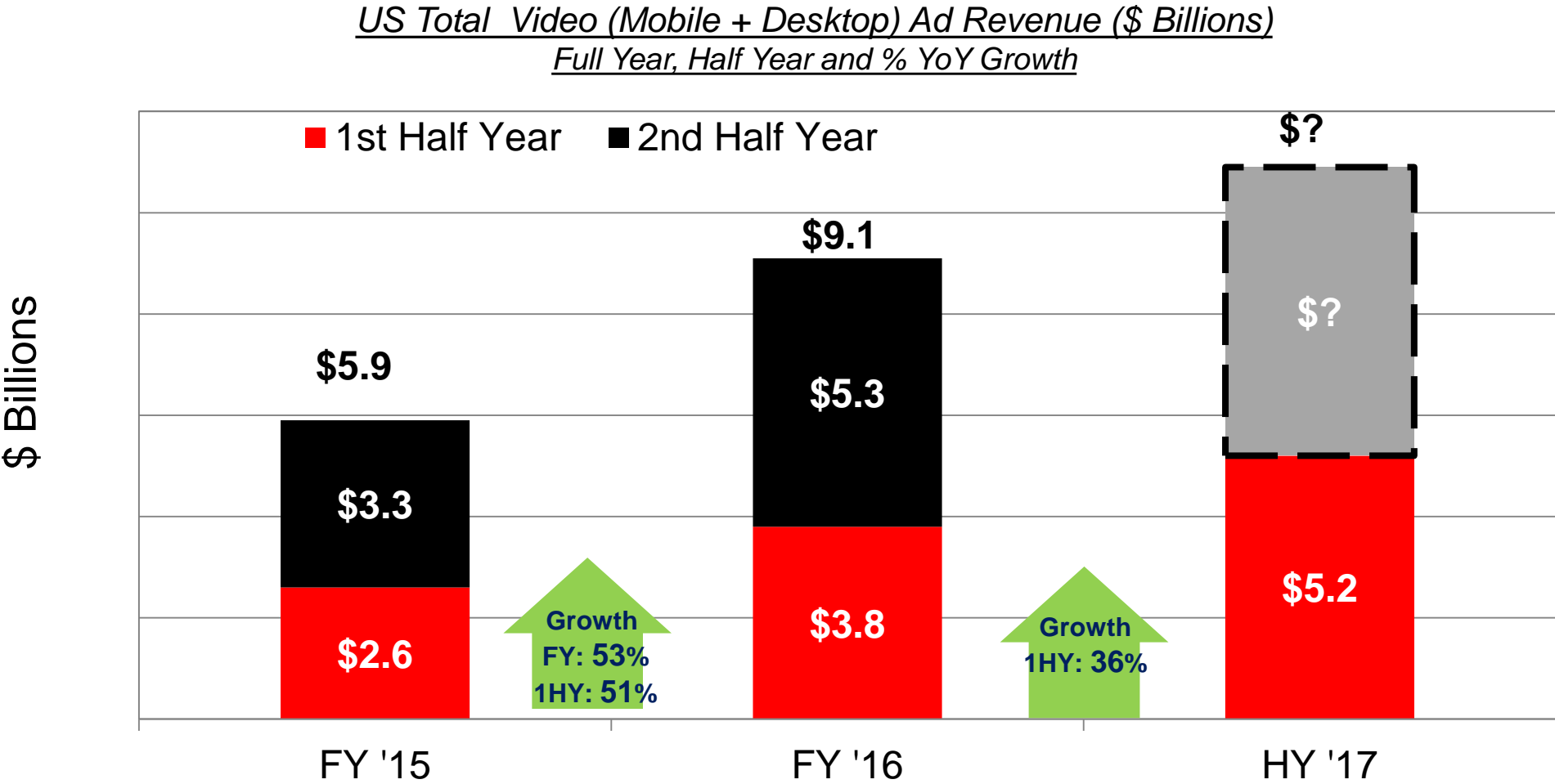


Digital Video

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

Total Video Ad Revenue for First Half of 2017 Has Doubled Since HY'15



Note: Full Year totals accurately reflect the sum of Half Year totals as rounded to two decimal places.

221 Million Users Streamed 46 Billion Videos for 170 Billion Minutes in June

- In June, 221 million Americans streamed digital video, or 68% of the US population of 323 million*
- 23 billion video ads were streamed in June 2017

**221 Million
Users Streamed
Digital Video**

**170 Billion
Minutes
Spent
Streaming Video**

**46 Billion
Videos
Streamed**

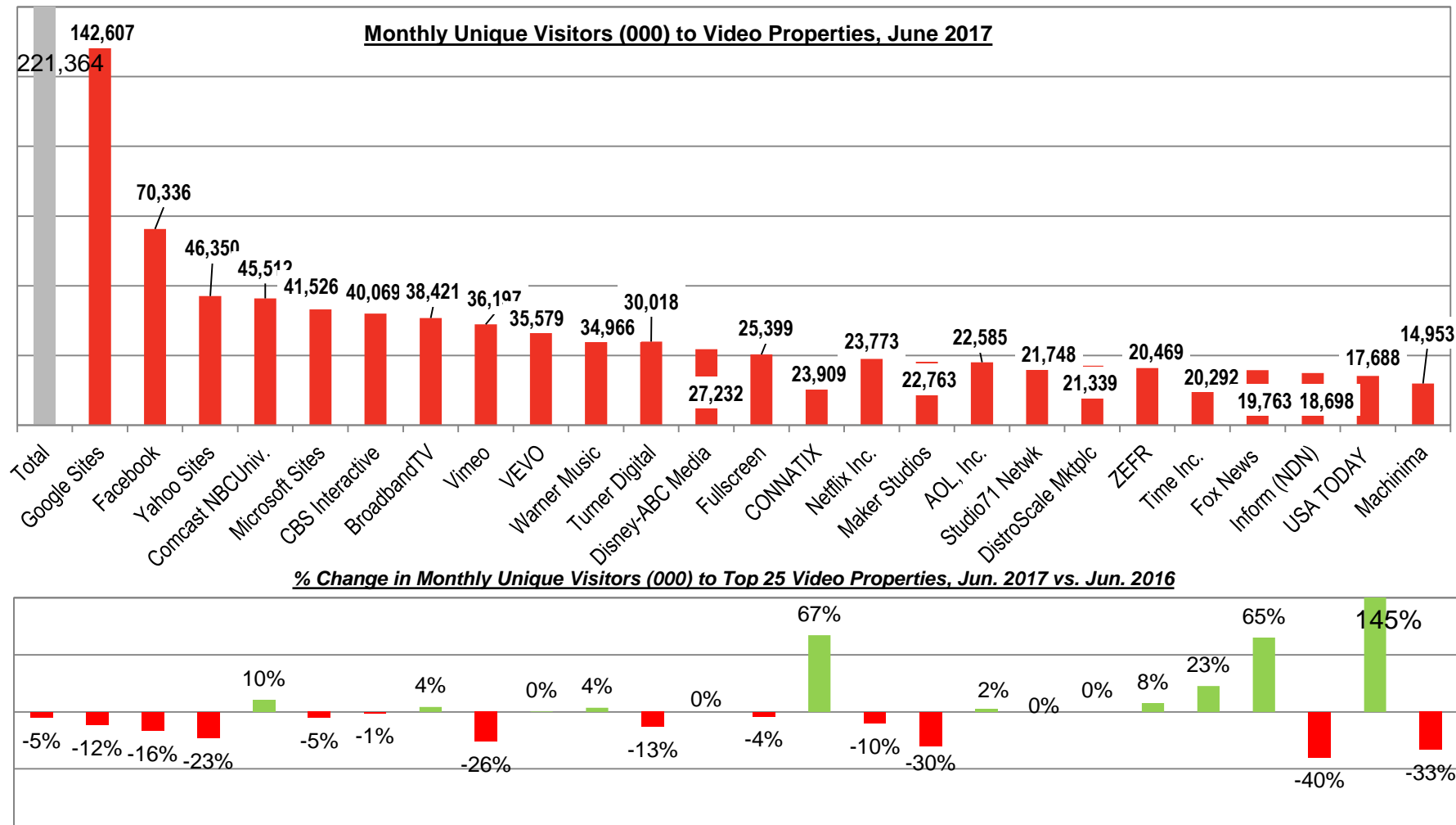
**23 Billion
Video Ads
Streamed**

ComScore VideoMetrix, Total Audience, Home and Work. Desktop only

*US Census Bureau estimates US population to be 323M as of most recent figures on July 2016.

Top 25 Most Visited Video Properties

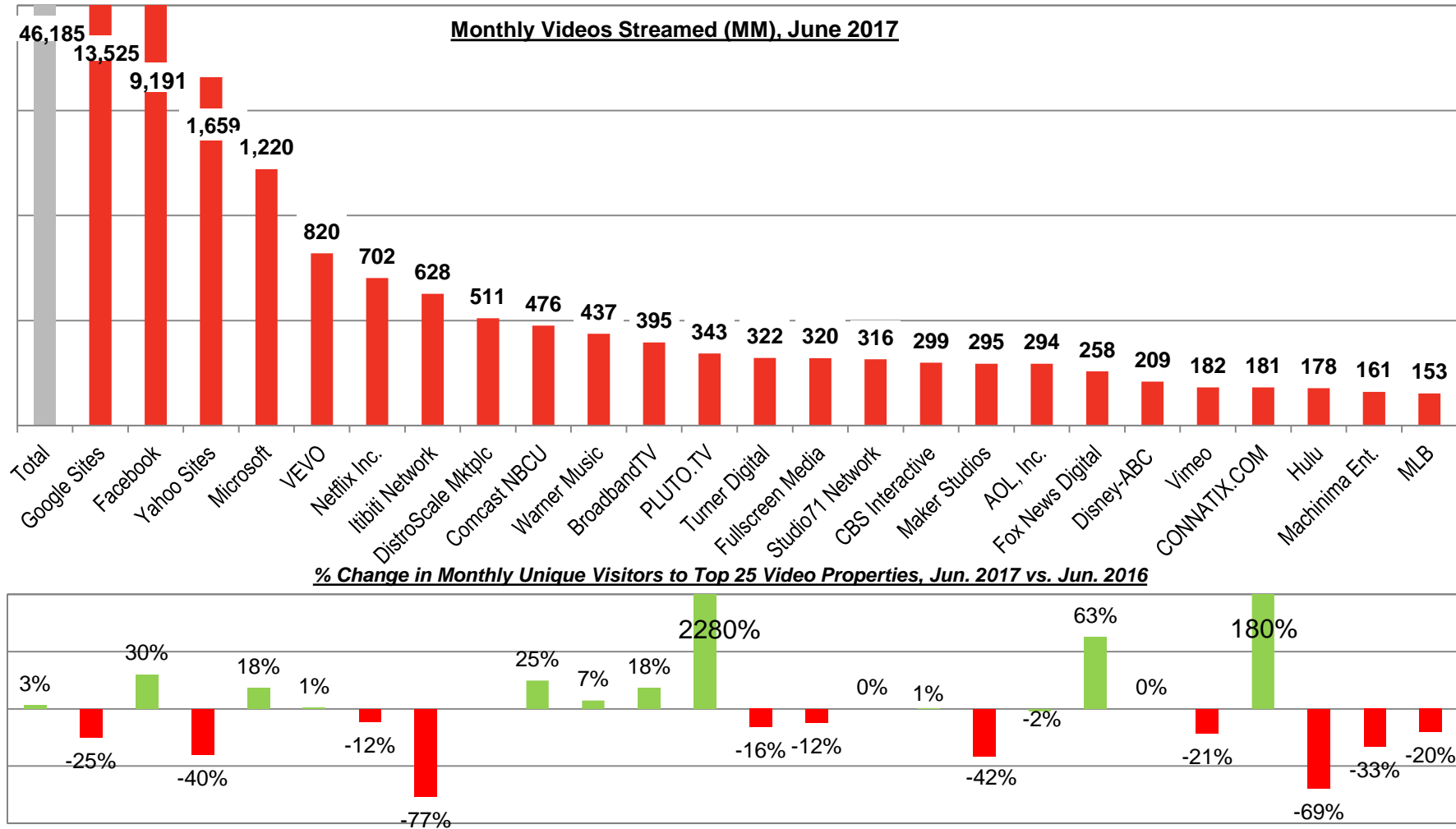
by Monthly Unique Visitors



Growth
from a year ago
Decline

Top 25 Most Streamed Video Properties

by Monthly Videos Streamed

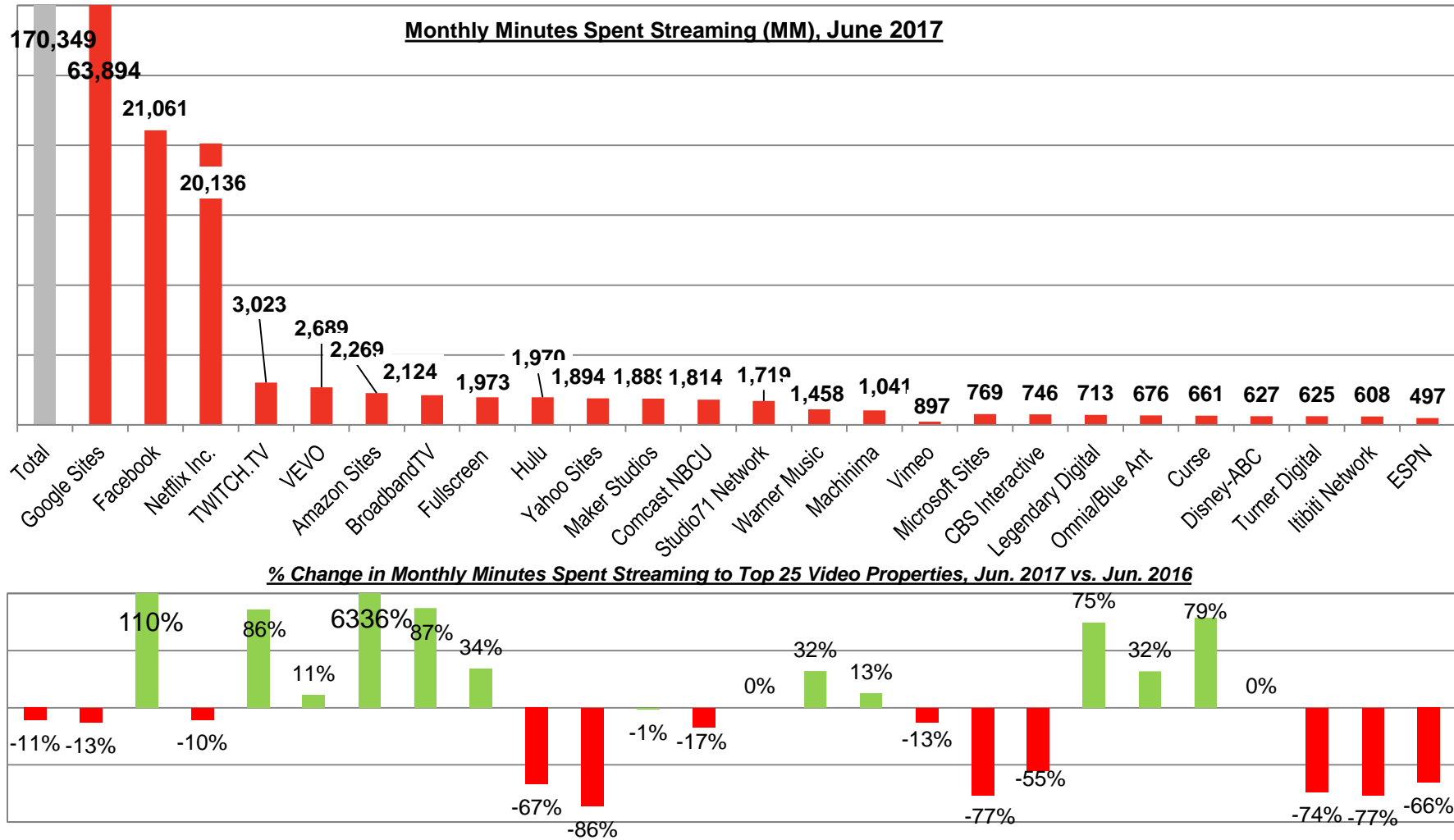


Growth
from a year ago
Decline



Top 25 Longest Visited Video Properties

by Monthly Minutes Spent Streaming



Growth
from a year ago
Decline



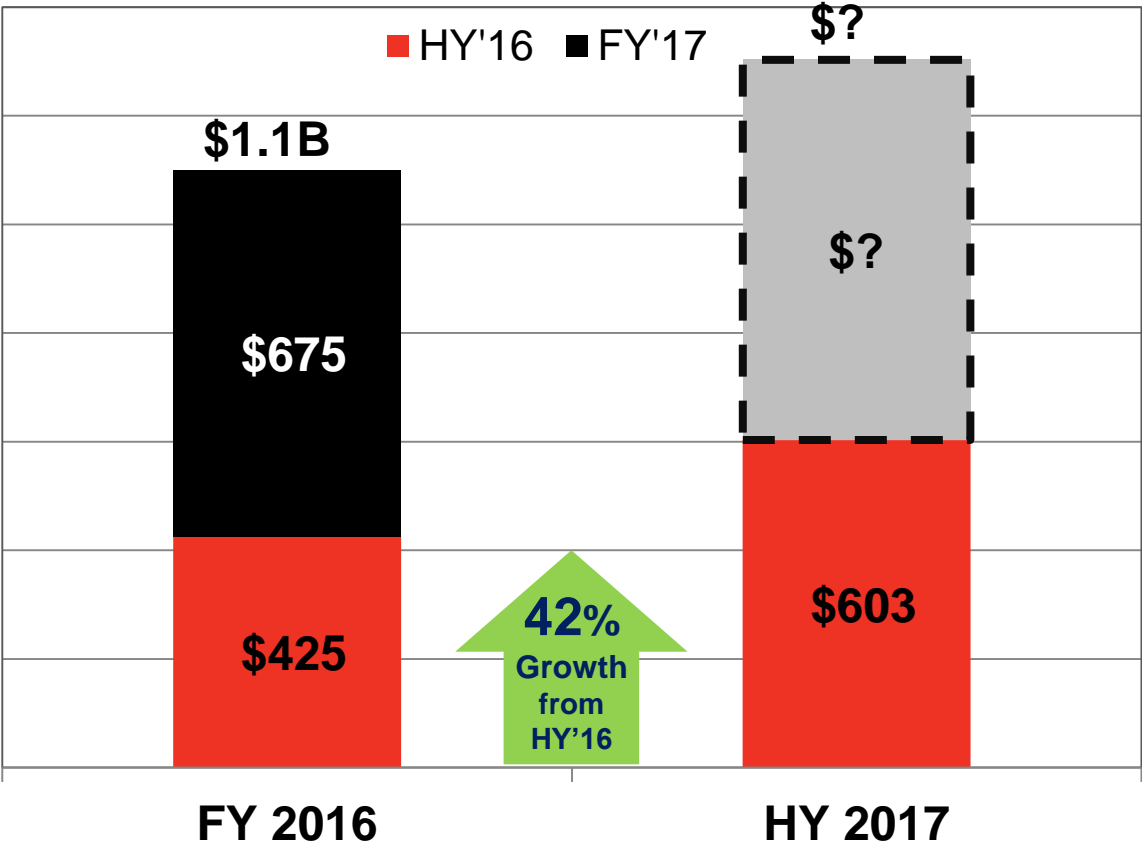
Digital Audio

Digital Trends:

Consumer Usage of Digital and its Influence on Ad Revenue

Total Audio Ad Revenue Has Grown

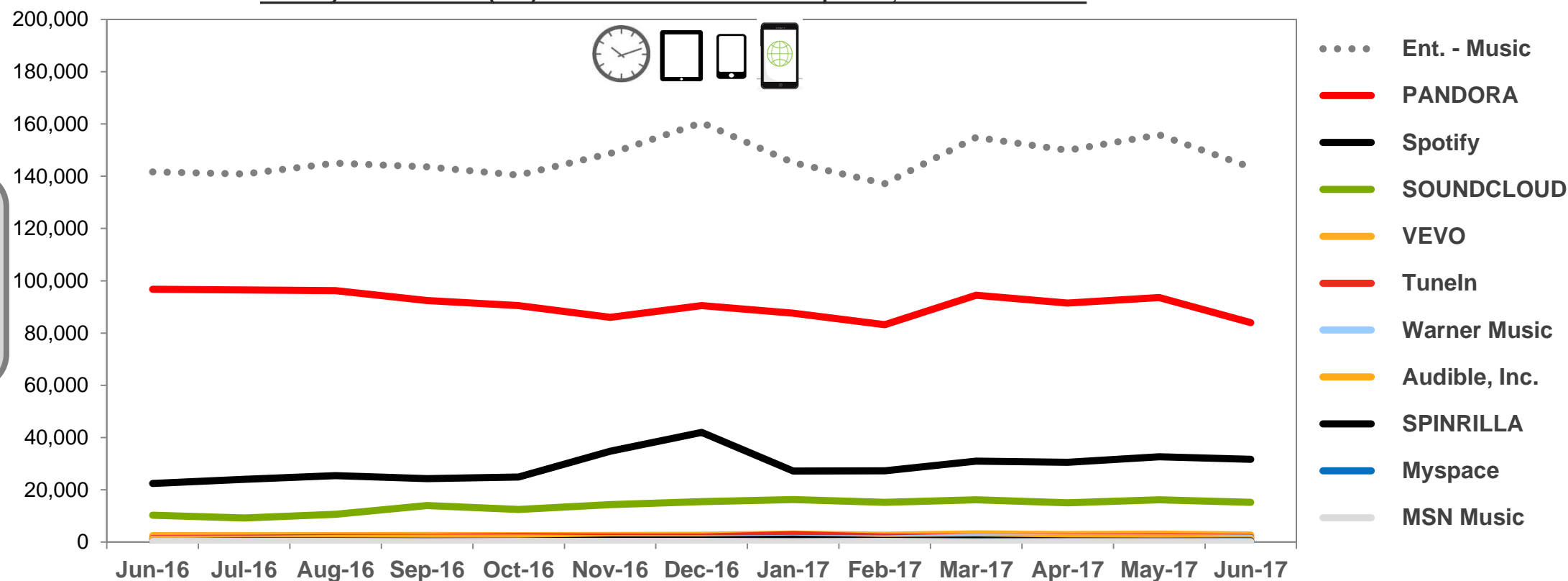
Total Audio Ad Revenue (Mobile + Desktop) (\$ Millions)
Full Year, Half Year and % YoY Growth



One Year Trend of Time Spent on Top 10 Music Entertainment Sites

- Pandora is by far the leader in time spent on music entertainment sites or apps
- #2 and #3, Spotify and Soundcloud have grown over the year

Monthly Total Minutes (MM) on Music Entertainment Properties, Jun 2017 – Jun 2017



Source: ComScore US Media Metrix Multi-Platform

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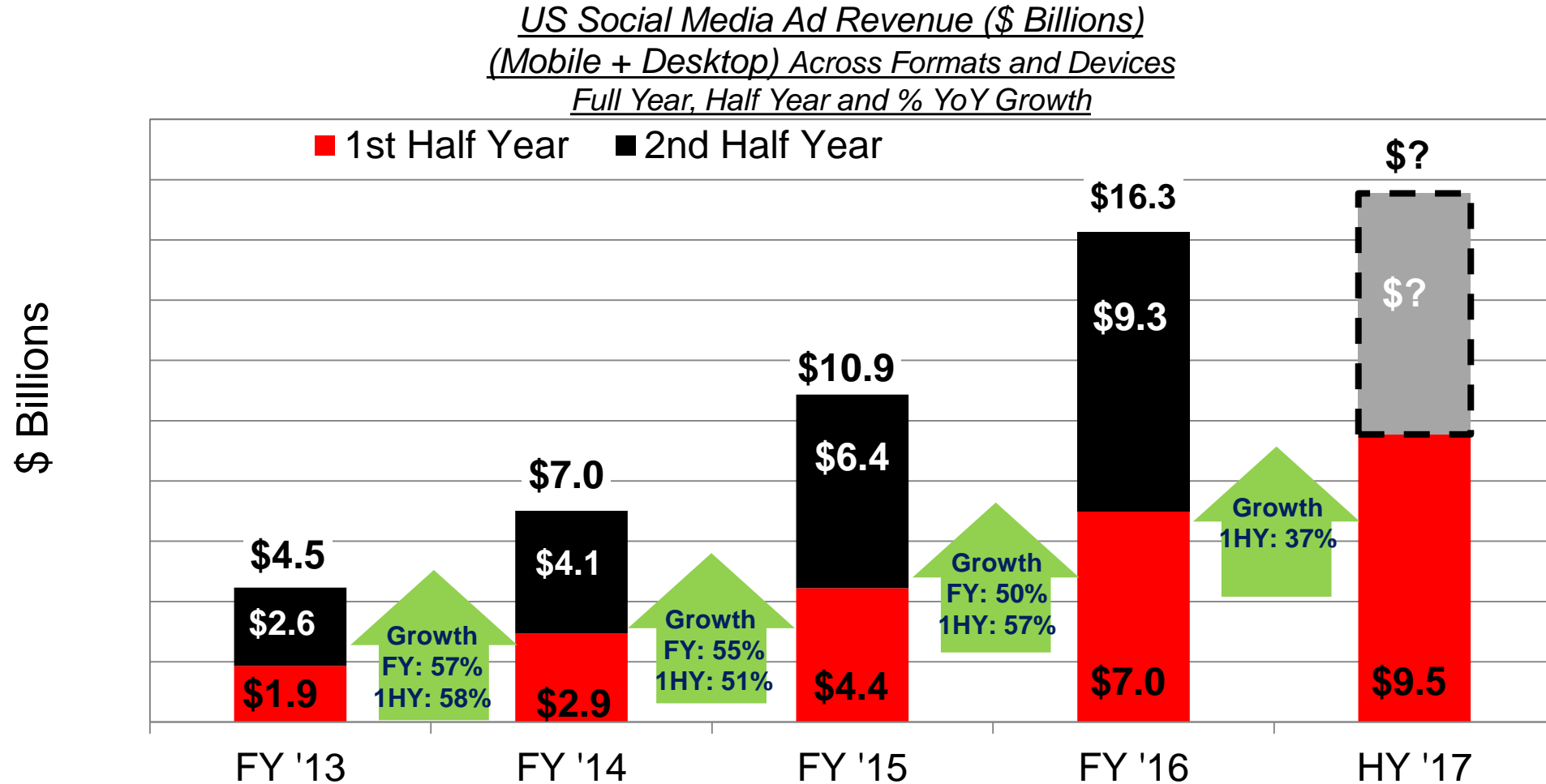


Social Media

Digital Trends:

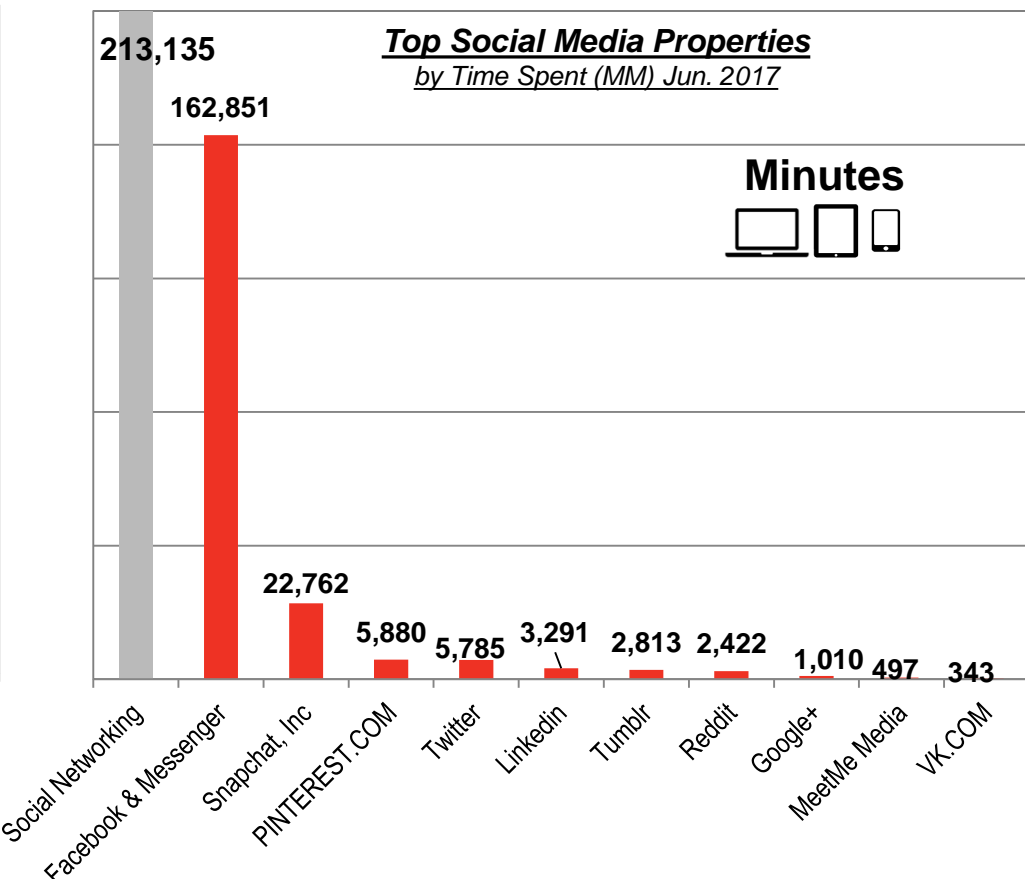
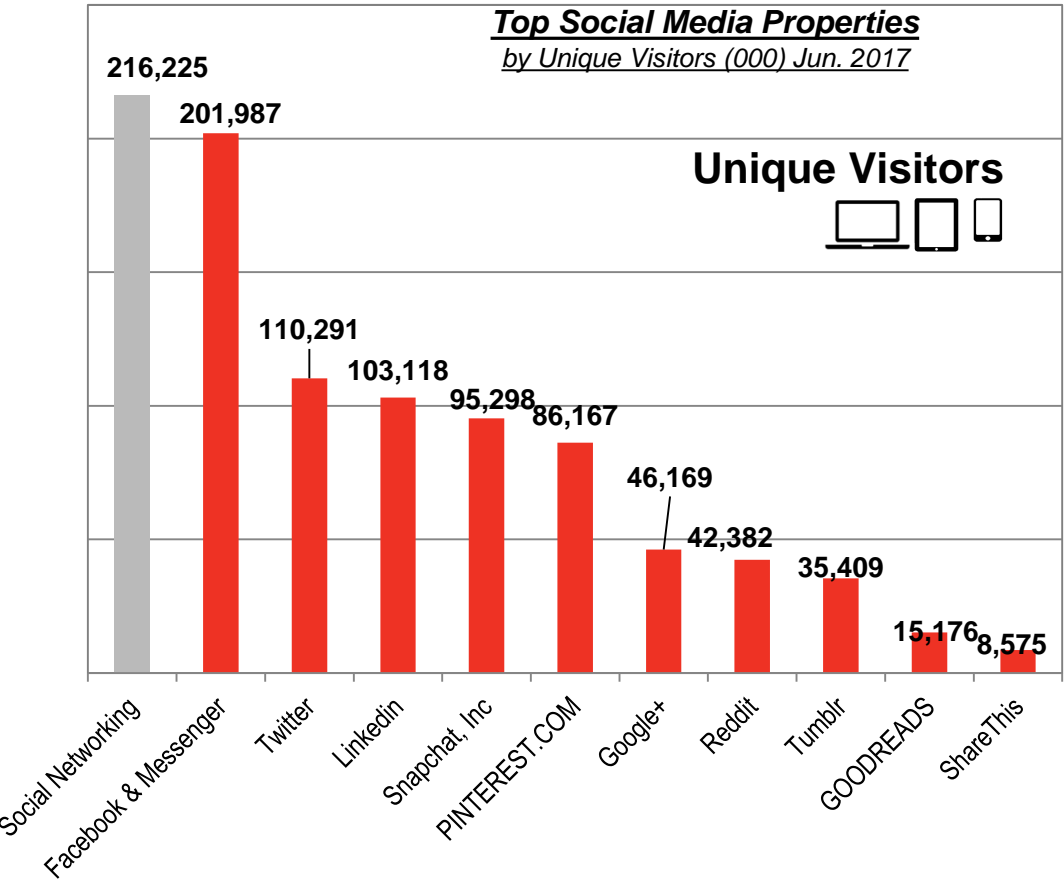
Consumer Usage of Digital and its Influence on Ad Revenue

Total Social Media Revenue Shows Steady Double-Digit Growth



Note: Full Year totals accurately reflect the sum of Half Year totals as rounded to two decimal places.

Top Social Media Properties



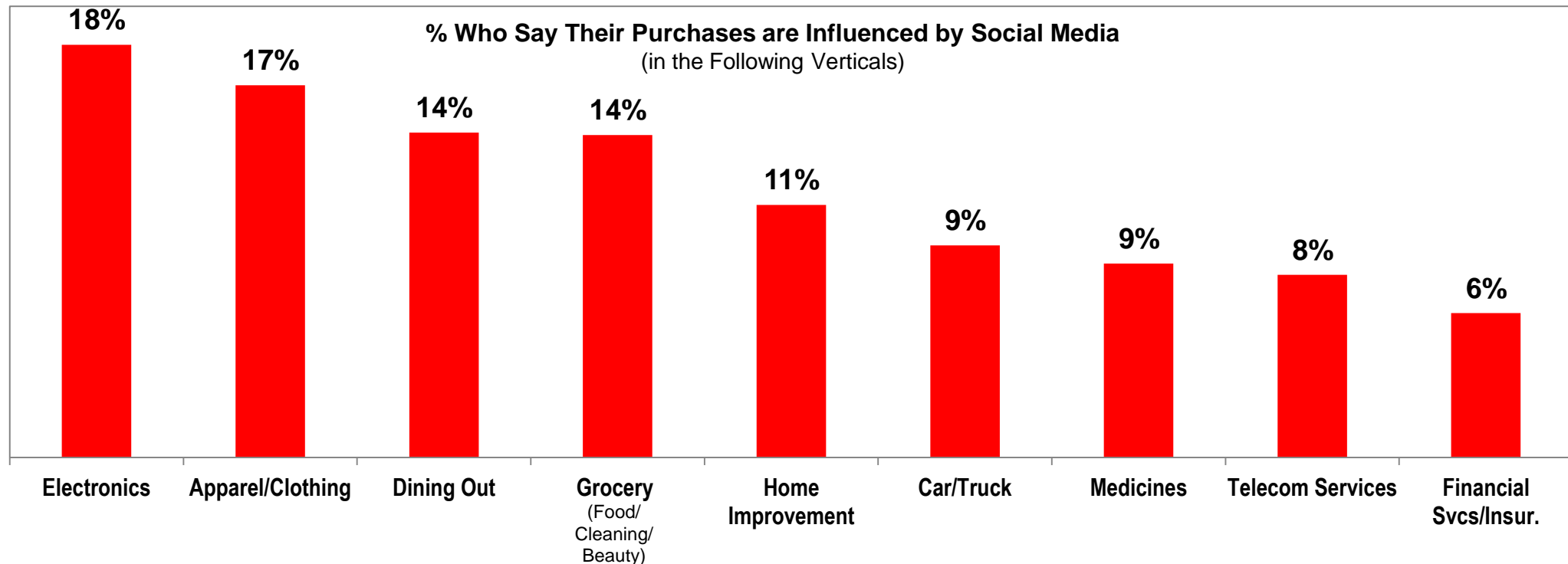
comScore US Media Metrix (Desktop only), Mobile Metrix, Unique Monthly Visitors (000)., Monthly Minutes Spent on Property

On August 18, 2017 US Media Metrix Multi-Platform and Mobile Metrix data was restated for April 2017 and May 2017 data months. The restatement is related to duration data for Android smartphones. FAQs regarding this restatement can be accessed [here](#).



Social Media Influences Purchase Decisions

- Electronics, Clothing, Dining and CPG purchases are most influenced by social media



Prosper Insights, Media Behavior and Insights data, Jan. 2017. n=16,644 US Adults 18+

Digital Trends: Consumer Usage of Digital and its Influence on Ad Revenue

Half Year 2017 Update

 **Questions?**
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