



# FULL YEAR 2018 INTERNET AD REVENUE REPORT

May 2019

*PLEASE STAND BY: THE WEBINAR WILL START MOMENTARILY*

# AGENDA

## Welcome Introduction & Consumer Trends

Sue Hogan, SVP Research and Measurement, IAB

## Analysis of IAB PwC Full Year 2018 and Q2 2018 Report

David Silverman, Partner, PwC

## Guest Presentation

Brian Wieser, CFA, Global President, Business Intelligence, Group M

## Closing Thoughts

Sue Hogan and David Silverman

## Q & A

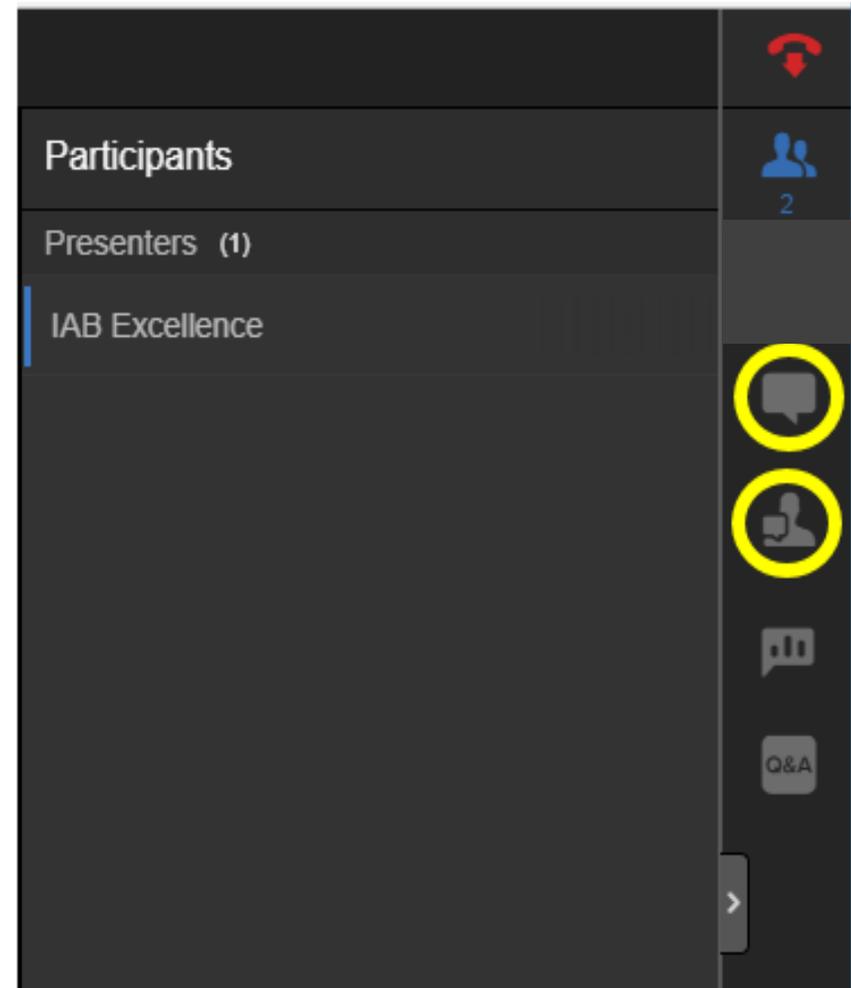
# WELCOME

Journalists and IAB members can ask questions at any time during the presentations.

Please type questions into the chat box on the webinar user interface.

- We will create a queue and answer as many questions as possible following the presentations
- Additional press questions can be directed to Laura Goldberg:  
[Laura.Goldberg@iab.com](mailto:Laura.Goldberg@iab.com)
- Additional questions from IAB members can be directed to Susan (Sue) Hogan:  
[Sue@iab.com](mailto:Sue@iab.com)

The presentations and report will be available for download after the webinar at: <https://www.iab.com/adrevenuereport>



1. Raise Hand: To request to speak

2. Event Chat: communicate with group

3. Moderator Chat: communicate directly with IAB

**US DIGITAL AD REVENUE SURPASSED \$100B**

**\$107.5 BILLION**

**2018 IN AD REVENUE**

# The story behind the ad dollars? Consumers.

**DIGITAL USAGE UP 20% Y/Y**

**As ad dollars chase consumers, the market continues to climb**

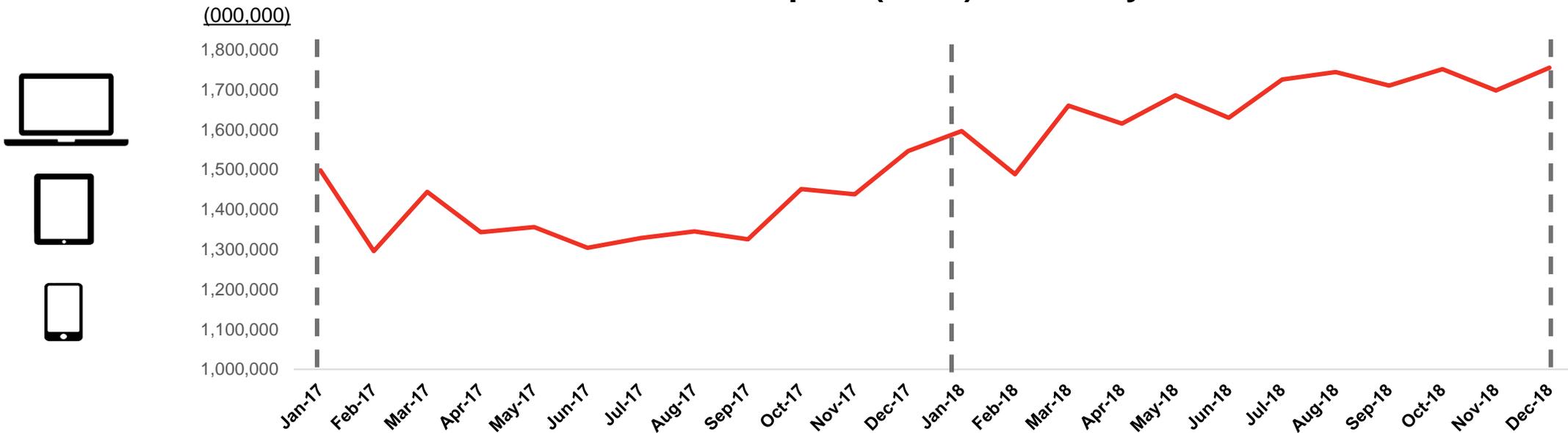
**CONSUMER MEDIA USAGE**

Highlights 2018

# Time spent on Digital increased 20% in 2018; (with only 1% increase in audience size)

- › Consumers spent 20% more time online in 2018
- › US audience increased to 257M vs 253M y/ago (+1%)

### Total Time Spent (Mins) Online by Month



ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18-Dec.'18)

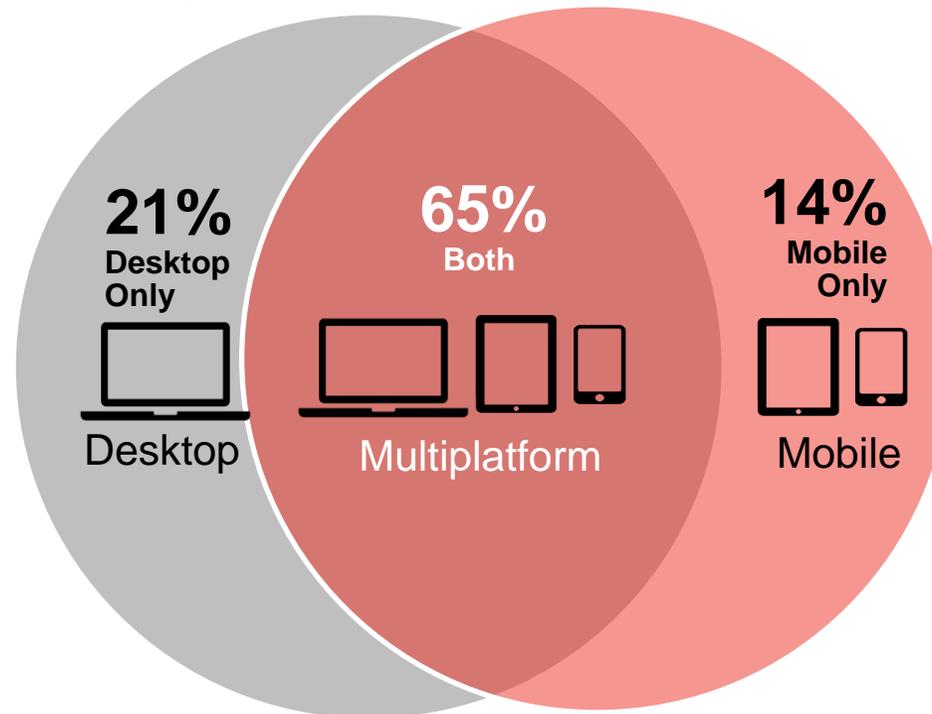
Desktop, Tablet or Smartphone (Mobile Browser or Apps)  
Desktop Age 2+; Mobile Age 18+

# 65% US Digital users access the Internet across both Mobile and Desktop

- Cross Device and Mobile continue to erode Desktop

## Unique Monthly Users by Device

Desktop, Tablet or Smartphone (Mobile Browser or Apps)

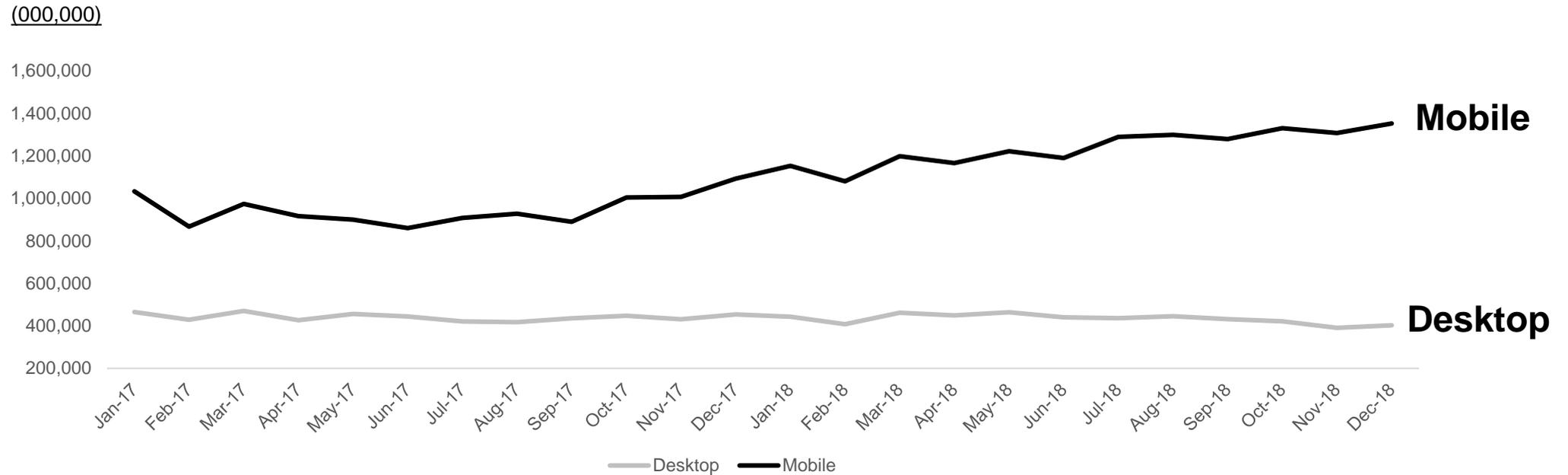


ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18-Dec.'18)  
Desktop Age 2+; Mobile Age 18

# Mobile also continues to erode desktop time spent

- Time on Mobile is up 31% YoY; Desktop dropped 2% in same period

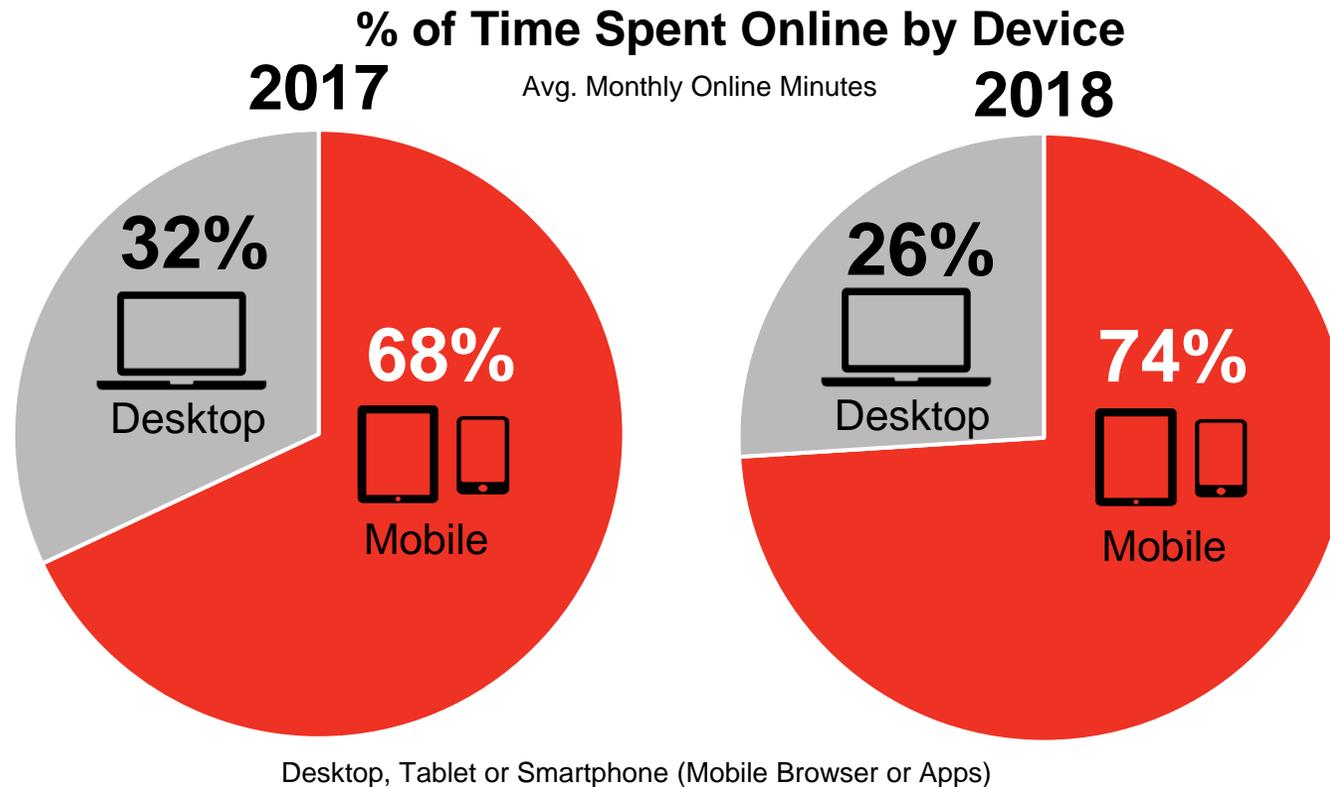
## Total Time Spent (Mins) on Mobile vs. Desktop by Devices



ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18-Dec.'18)  
Tablet or Smartphone (Mobile Browser or Apps)  
Desktop Age 2+; Mobile Age 18+

# Three-quarters of all Internet time is spent on a mobile device

- › In 2018, Mobile increased share of time spent to 74%--up from 68% in 2017
- › Desktop lost share, dropping to to 26% from 32%

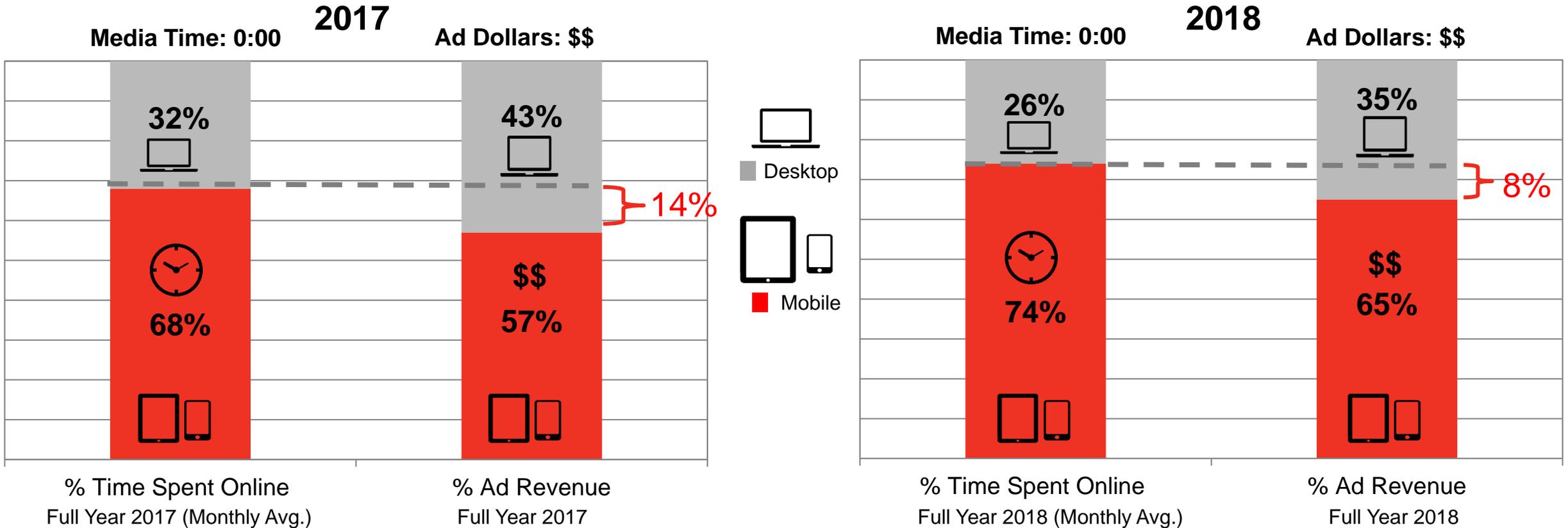


ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18- Dec. '18)  
Desktop Age 2+; Mobile Age 18+

# Mobile time spent and Mobile ad dollars approach parity

- Mobile ad revenue grew 8% y/y, following the trend of Mobile consumer behavior

Mobile as a Percent of Digital Time Spent vs. Ad Revenue

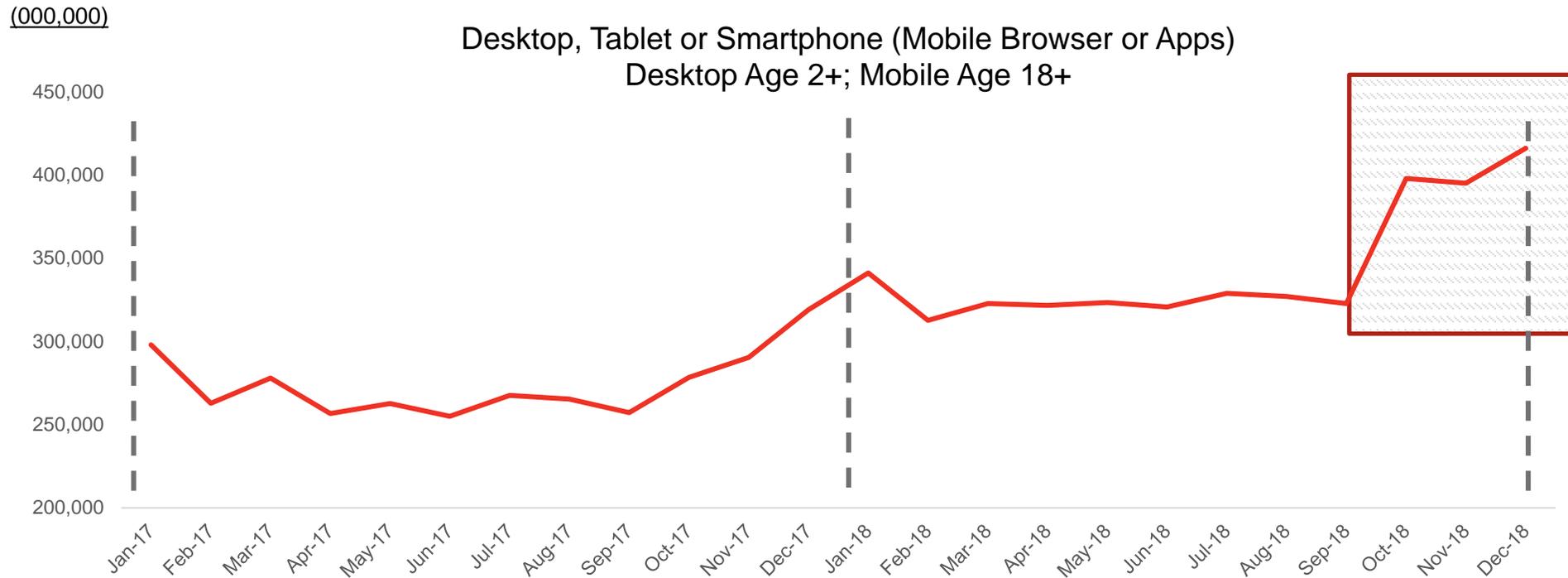


ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18- Dec. '18) % Ad revenue via PwC Desktop Age 2+; Mobile Age 18

# Time spent in Social jumped 22% y/y, Jan-Sep\*

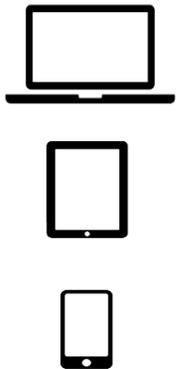
- Consumers spent 22% more time on Social Media in 2018 vs. 2017

## Total Time Spent (Mins) on Social Media Sites by Month



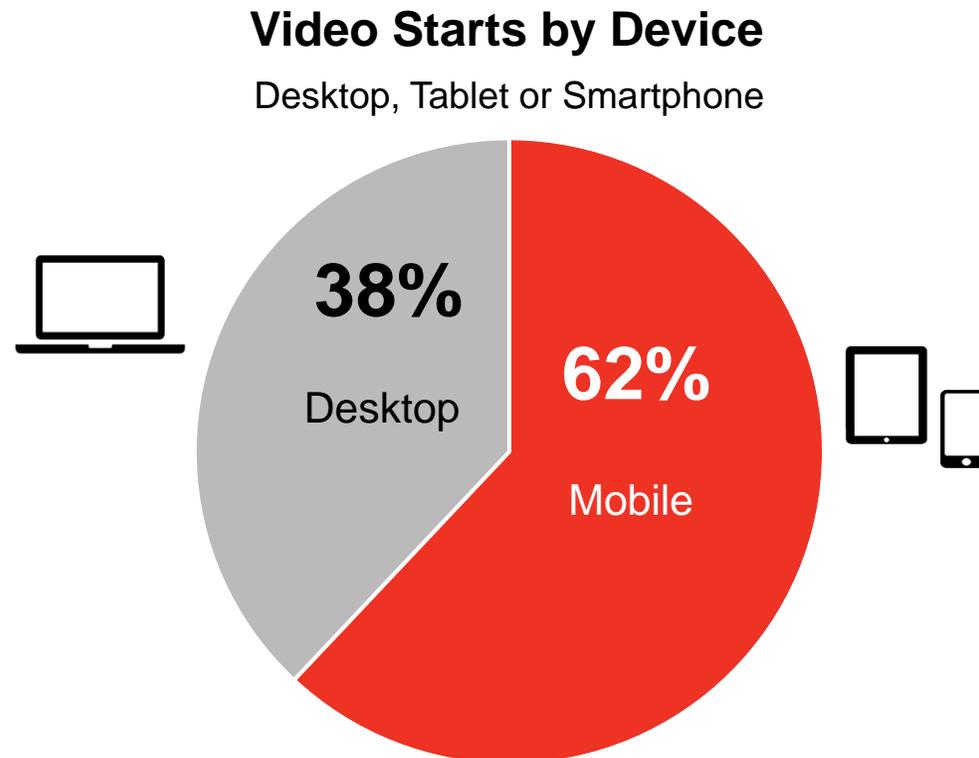
ComScore US Media Metrix Multi-Platform, Total Audience (12 Mos. Avg. Jan. '18-Dec.'18)

\*Due to a methodology change in October 2018, YoY changes reflect Jan-Sep data only;  
Social Media in Jan-Sep 2018 vs. Jan-Sep 2017: 324B, or 24 hrs per person per month, in 2018 vs. 267B in 2017



# Mobile stimulates growth in video viewing

- › 62% of video starts occur on a mobile device
- › Analyzing Q2 2017 vs. Q2 2018 we see a y/y increase of 9%
- › Smartphones accounted for 52% of the starts, +13% YoY

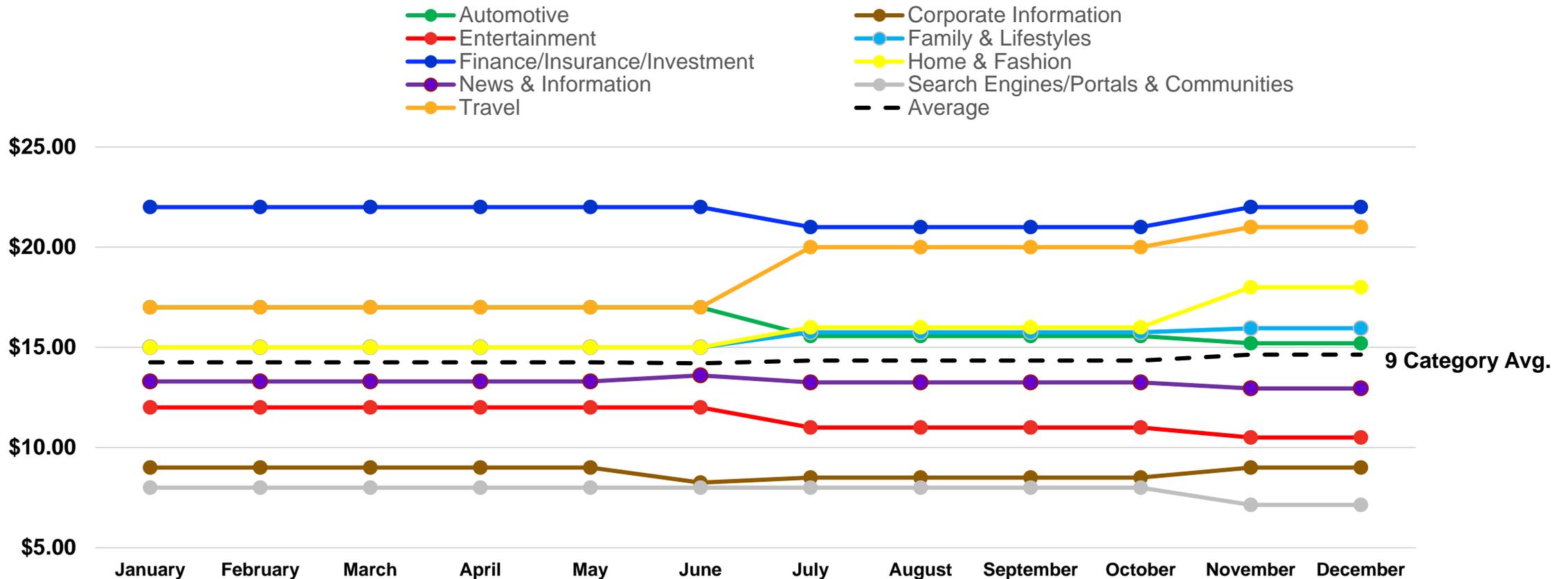


# Display CPMs hold fairly steady across categories

## Nine Category Average Display CPM Monthly Trend

Average of All Sites in Category for Reported Month

(Jan. 2018 – Dec. 2018)



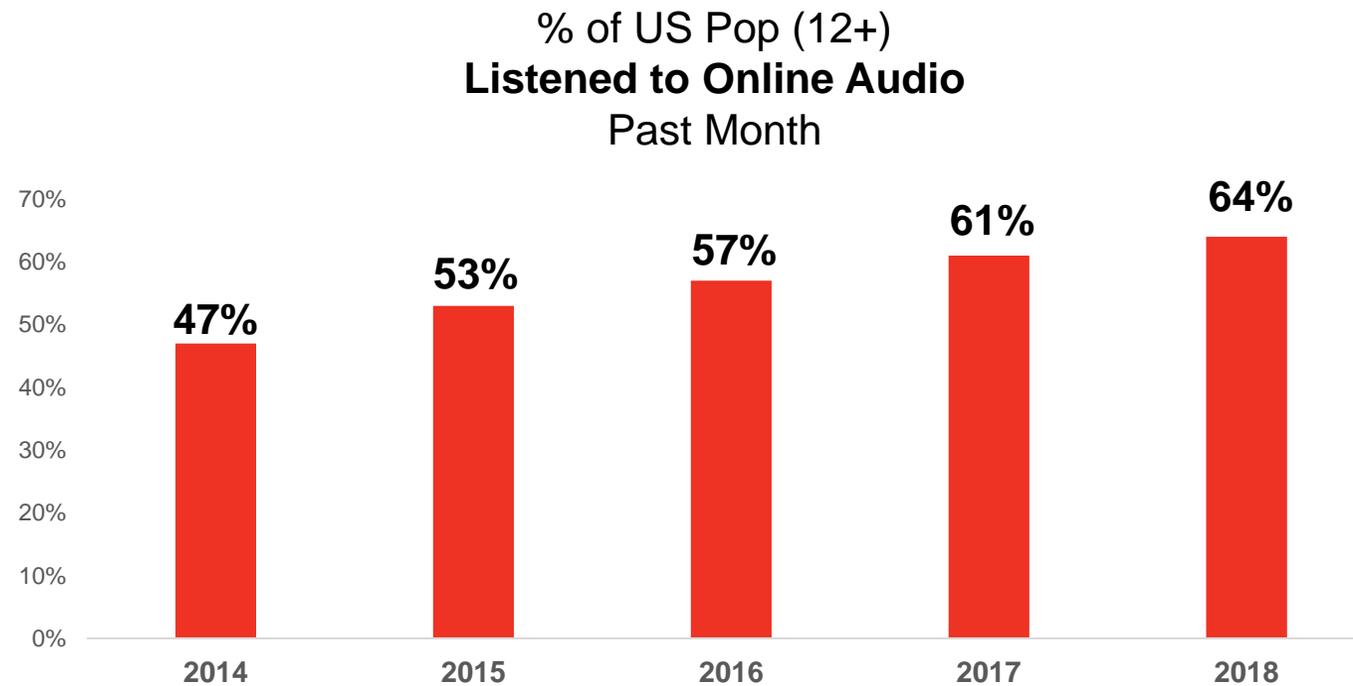
Source: WebCosts Database, SQAD.com

Note: Category titles refer to Nielsen dictionary. Corporate information includes primarily ad networks.



# The digital audio universe continues to expand

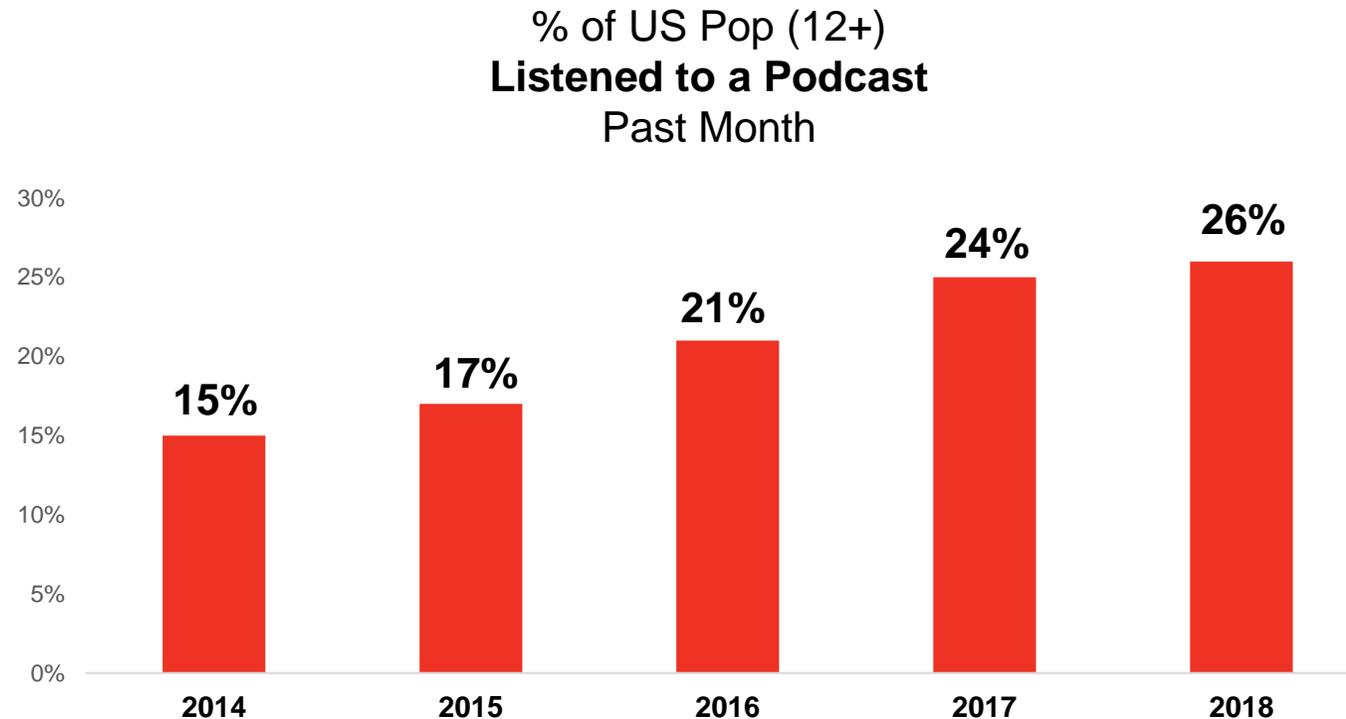
- Two-thirds (64%) of people age 12+ listened to online Audio in 2018



Sources: *The Infinite Dial 2019*, Edison Research & Triton Digital; Universe = 282M

# The Podcast is one reason for Audio growth

- The Podcast audience (age 12+) reached 73M in 2018. Up 7% since y/ago



Sources: *The Infinite Dial 2019*, Edison Research & Triton Digital; Universe = 282M

**Thank you**