World Federation of Advertisers

Global Viewability Benchmarking

Jan-Jun 2017 vs 2016

About this document

Viewability is a measurement metric that defines whether a digital ad had the opportunity to be seen (i.e. whether it was within the viewable pane of the browser).

The Media Rating Council (MRC) defines an ad as viewable when 50% of the surface area is in-view for at least one second (or 50% for two seconds for video). The IAB consider this to be a standard that advertisers can trade against though there are brands (and markets) who believe this standard should be higher.

Viewability has been a growing priority for WFA members for several years and we have focused on education and research in response. In addition, with other industry partners including, IAB Europe, EACA, JICWEBS (UK), AGOF (Germany) and Digital Ad Trust (France), WFA is part of the an initiative to improve viewability standards in Europe and beyond.

There remains no consensus on what levels of viewed impressions represent per market and WFA members inform us that greater visibility of these numbers would be a valuable source of information.

By aggregating data from seven leading verification companies, WFA has produced the industry's first collective set of benchmarks on the level of 'in-view' impressions across more than 20 markets.

The intention of this project is to establish indicative viewability levels by market, and draw attention to the fact that techniques for verifiying impressions vary by vendor. The intention is not to disclose individual data submissions from participating companies – but we do display the deltas (high and low), in addition to the average figure.

All participating companies have an MRC accreditation, and all data submitted is in accord with MRC standards, e.g. 50 for 1 / 50 for 2.

This data set focuses on H1 2017, but period-on-period comparisons have been made to H2 2016, to identify how viewability is evolving.

Contents

Display viewability

- Median display viewability level across 29 markets equals 47.5%.
- Average viewability highly consistent by market (fig.1), with (excepting Russia) just 10 percentage points separating top (Sweden) and bottom (China) performing markets.
- But the range in-market (between participating verification companies) for display can be significant and Australia is the best example of this
    - o Lowest viewability figure for Australia is 26% and the highest is 88% (based on six data points).
- This is less pronounced for other markets and there's just an 8 percentage point range in submissions for China (based on three data points), providing more confidence in the average market figure of 41%.
- Looking at a selection of markets with submission by verification company (fig.2) reveals that there is growing consistency in display viewability in some markets, though there are also outliers, likely a product of the clients being serviced and a lower sample of impressions.
- Period-on-period data (fig.3.) shows that average display viewability across markets where there is a like-for-like comparison, has increased marginally overall (0.6 percentage points), but there is no single, clear trend.
- This data is a blend of brand vs direct response buys and programmatic vs direct buys. As such, the data masks likely opposing trends. While brand campaigns and activity booked direct would be expected to hit higher viewability levels, it's anticipated that programmatic and DR activity would, generally speaking, be lower.

Fig.1. Jan-Jun 2017 - display impressions (%) in-view (all devices) by market as per MRC standard

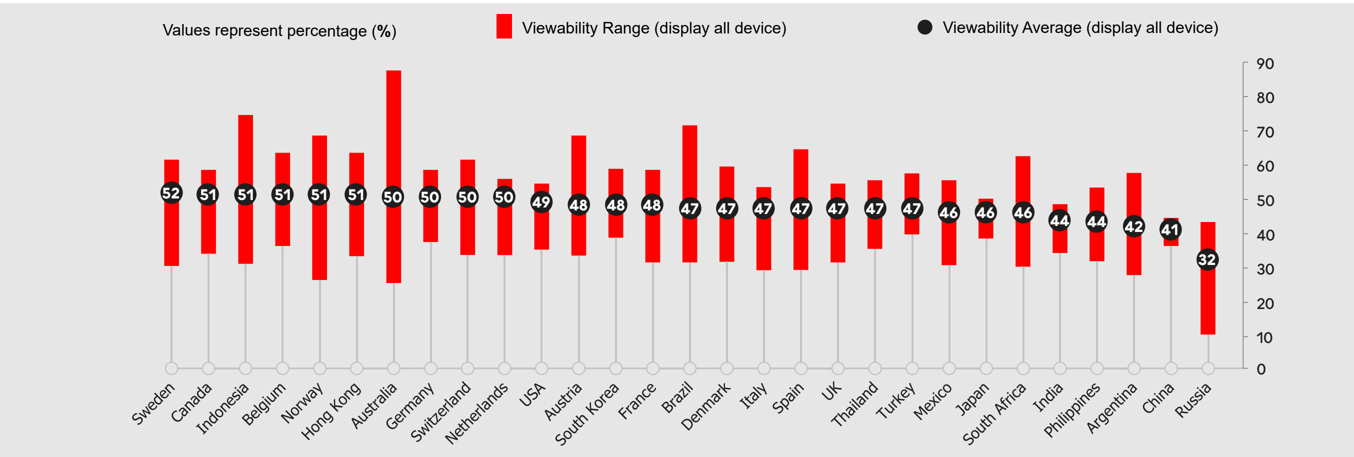


Fig.2. Jan-Jun 2017 - display impressions (%) in-view (all devices) by market and verification company as per MRC standard

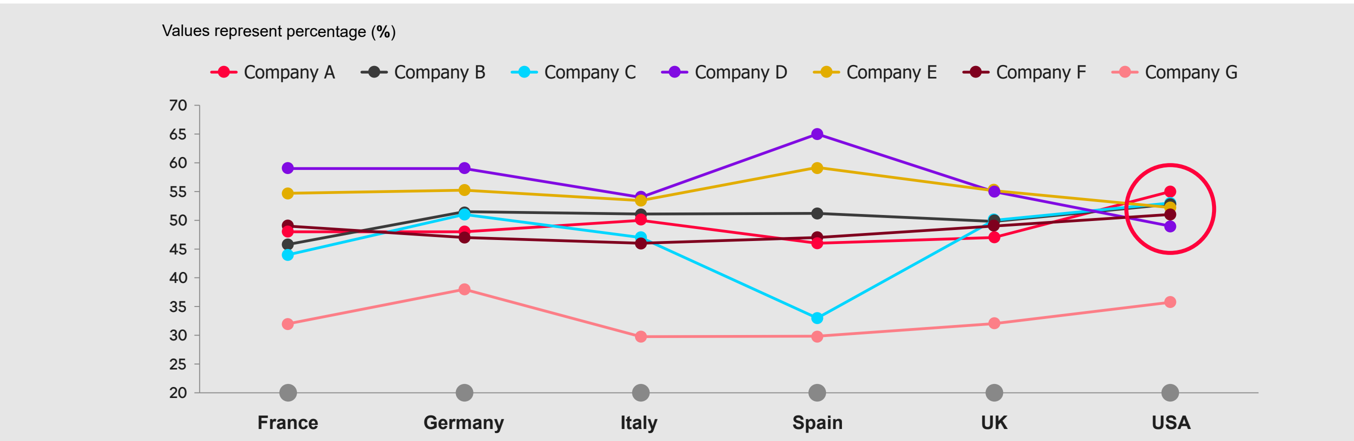
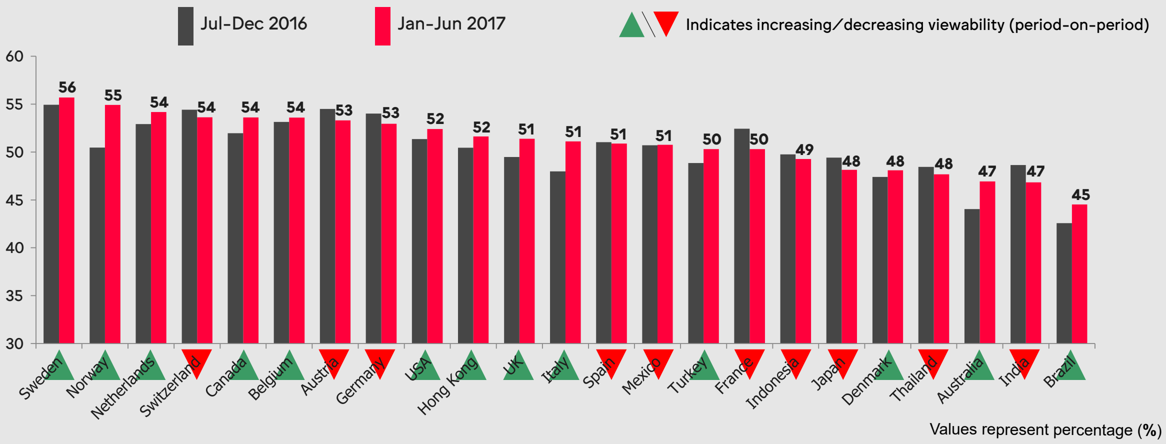


Fig.3. Jan-Jun 2017 vs Jul-Dec 2016 - display impressions (%) in-view (all devices) by market as per MRC standard



n.b. Based on like-for-like comparisons (i.e. only includes data from companies who submitted figures in both periods), so data for Jan-Jun 2017 may differ to the above charts (which include all submissions).

Video viewability

- Video inherently offers higher viewability than display, linked to 'pre-roll' and unskippable ads.

- Median video viewability level across 21 markets equals 60%, with Austria proving to be the most visible video market overall at 72% (fig.4).

- The range between participating verification companies for video can be significant and The Netherlands is the best example of this
    - Lowest video viewability figure for Netherlands is 11% and the highest is 68% (based on four data points)

- But the median range for video is lower than display (18% vs 27%), and for some markets this is down to just single figures (e.g. US and UK).
    - Lowest video viewability figure for the US is 58% and highest 62%, providing a higher degree of confidence in the data.
    - But despite the consistency there have been some substantial swings in video viewability, period-on-period, for these markets (fig.5).

- In further contrast to display, the video market has seen considerable increases in viewability levels in recent months (fig.5), of over 4 percentage points period-on-period.
    - Video viewability level increased in all markets (where there is a like-for-like submission), with exception to Switzerland, Netherlands, Australia and Indonesia.
    - An increase of 16 percentage points in Norway.

- Advertiser demand and budget is migrating to (premium) video, and with higher yields available to publishers, we are seeing the market optimise toward higher video viewability rates.

Fig.4. Jan-Jun 2017 - video impressions (%) in-view (all devices) by market as per MRC standard

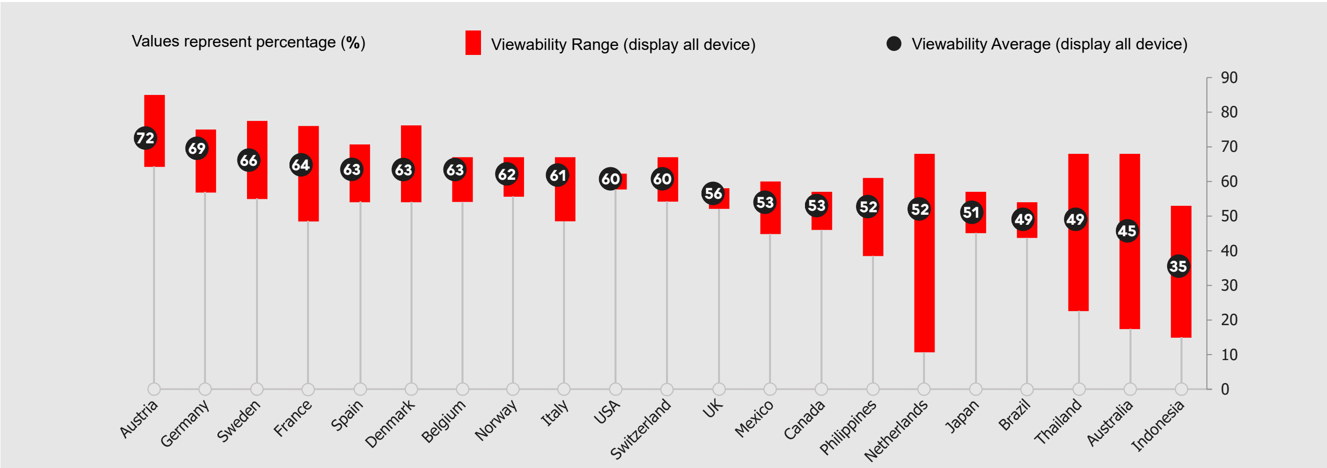


Fig.5. Jan-Jun 2017 vs Jul-Dec 2016 - video impressions (%) in-view (all devices) by market (UK vs US) and verification company as per MRC standard

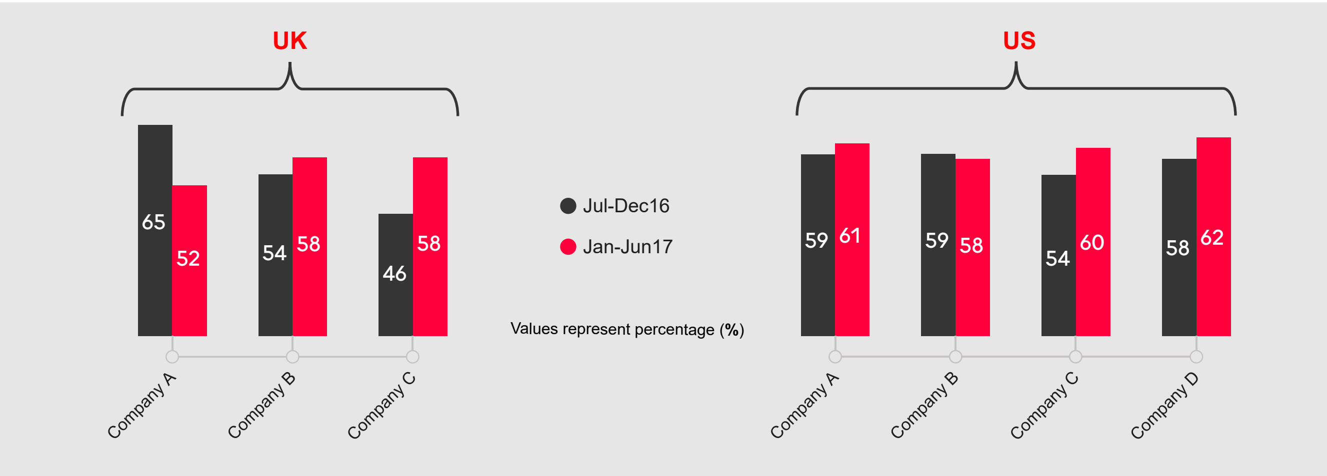
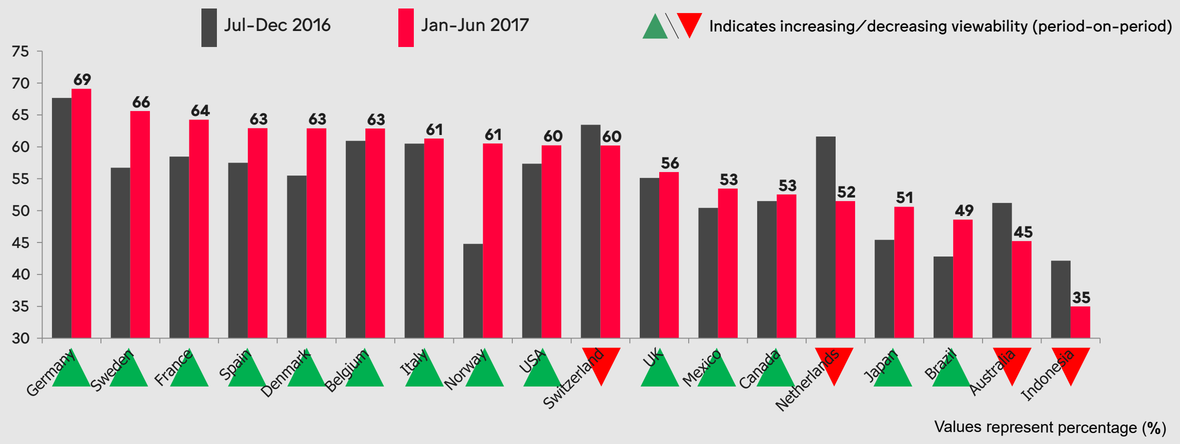


Fig.6. Jan-Jun 2017 vs Jul-Dec 2016 - video impressions (%) in-view (all devices) by market as per MRC standard



n.b. Based on like-for-like comparisons (i.e. only includes data from companies who submitted figures in both periods), so data for Jan-Jun 2017 may differ to the above charts (which include all submissions).

Summary & considerations

- Although based on large samples, these numbers represent averages only,
  - each brand's exposure to viewability will depend on a number of factors including, the buying channels pursued, the formats and placements selected, etc.

- There can be a wide variance in reported levels of viewability by verification company due to
  - differences in technique and technology, which although individually accepted by the MRC, can clearly impact upon the final levels of in-view impressions a brand are reported to be subject to;
  - differences in the clients that vendors are employed by.

- Although the MRC standard is the most recognized viewability standard there is not currently an industry wide, global consensus on what viewability represents – publishers and platforms trade on different viewability thresholds.

- By working with verification companies, brands are able to monitor and optimize towards their **own prescribed level of viewability** which some set considerably higher than the MRC standard (as high as 100% ad surface area).

- There are also efforts being made in some markets to raise the viewability standard to a level where brands **can trade against a higher standard as a norm**. In the UK for example, ISBA have announced their intention to give brands the facility to buy display at 100% in-view.
  - The longer-term aim for ISBA is to enable brands to deliver their advertising as designed i.e. **100% in-view *for full duration.***

- There are potential consequences associated with higher viewability standards, including: a **reduction to supply** (and reach), **price increases** and potentially a **worse user experience** (i.e. certain formats might promise high viewability but may irritate consumers e.g. pop-ups, auto play ads, etc).
  - The Coalition for Better Ads (of which WFA is a board member) is a good place to start when appraising what ad formats provoke better/worse consumer experience.

- Ultimately, WFA believes (like ISBA) that **brands should be able to trade on whatever viewability level delivers the required outcome**.
  - Advertisers need to investigate what level of increased outcomes they can expect from an increase in viewability and balance this with the increase in cost – aim to establish the tipping point where incremental viewability does not deliver improved ROI.
  - A Viewable CPM (vCPM) is a useful metric for comparing value between sites;
  - But it's worth pointing out that this (in and of itself) is not a measure of outcomes or effectiveness (e.g. ROI, ROO) but is simply focused on delivery.

- **High viewability is meaningless if the 'viewer' was not human.** Fraudulent traffic is often manipulated to have the appearance of higher viewability than legitimate traffic.
  - Advertisers should seek to ensure that *all* impressions are (1) **viewable,** (2) **human** (i.e. not Sophisticated Invalid Traffic) and (3) in a **brand safe** environment;
  - Consider reviewing the WFA Compendium of ad fraud knowledge for media investors for further recommendations to protect investment against ad fraud.

Criteria & specifications

- All participating companies have an MRC accreditation, and all data submitted is in accord with MRC standards, e.g.
    - o Viewability (display) = 50% of surface area in view for at least 1 second (50/1)
    - o Viewability (video) = 50% of surface area in view for at least 2 seconds (50/2)
- Viewability data is based on total net impressions, i.e. minus General Invalid Traffic (GIVT) and Sophisticated Invalid Traffic (SIVT);
- Data from Google and Facebook is excluded;
- Data submissions are based on the averages from at least 3 suppliers;
- The markets included in this report have been selected according to ad spend.