

OnAudience.com | Report 2017

Ad blocking in the Internet

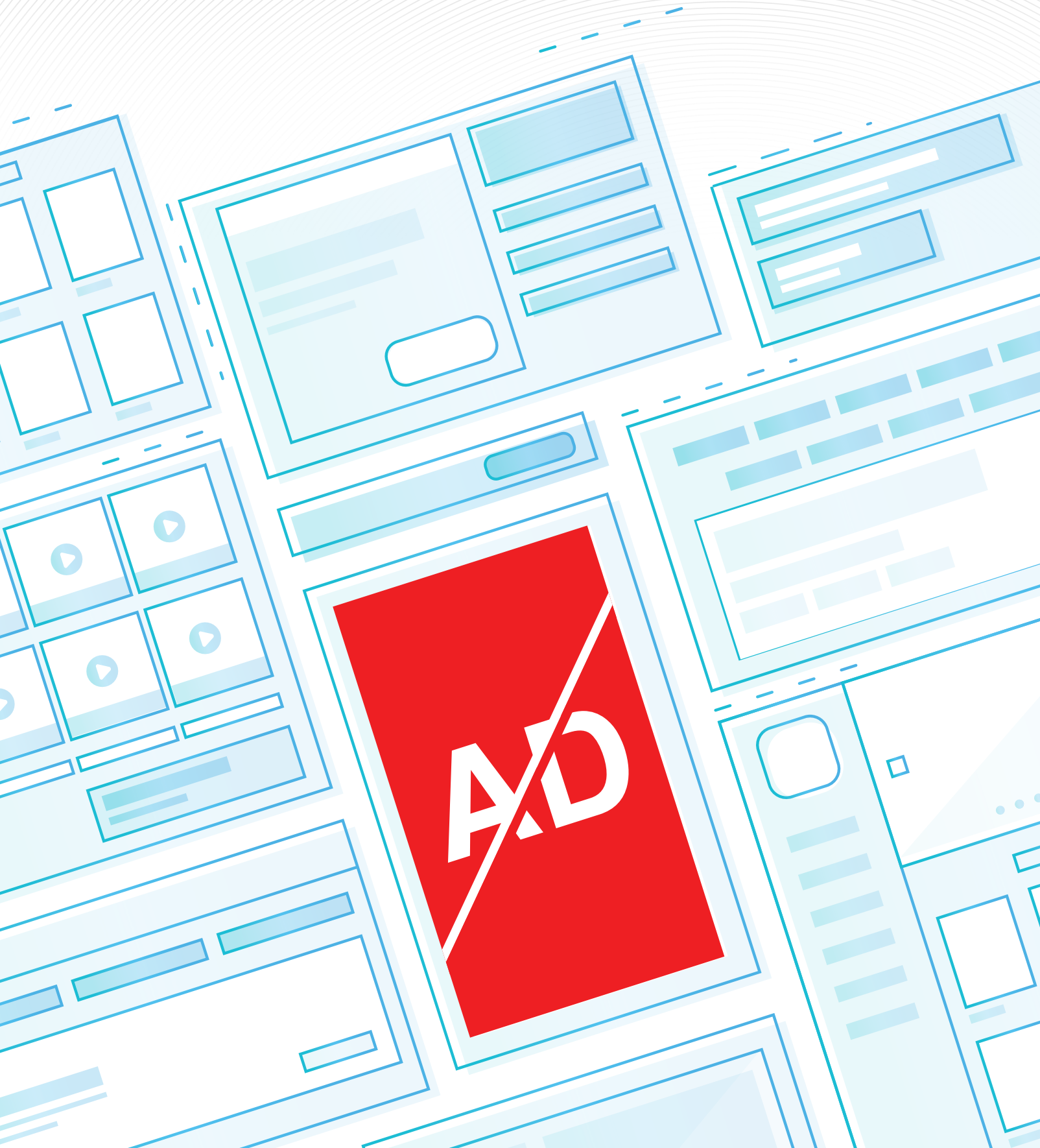


Table of contents

Introduction	1
Ad blocked page views	2
Impact on display advertising	8
Impact on e-commerce	11
About	13

This report includes an update of ad blocking data presented in 2016. Its reach covers over 60 markets worldwide and it has been followed up with estimated values of display advertising and the e-commerce market values. This study has been run by OnAudience.com, a part of Cloud Technologies group, and supported by the PHD Media Direction, a part of Omnicom Group, to show the scale of ad blocking and raise awareness of this issue in the entire industry, as well as present the impact of ad blocking on the e-commerce market.

media direction **phd**

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This study includes:

1. comparison of key market research concerning the scale of ad blocking,
2. display market value and estimated loss due to ad blocking,
3. e-commerce turnover generated by ad blocking users.

This study focuses on:

1. measured data,

instead of reported data in order to eliminate unaware ad block user,

2. page views,

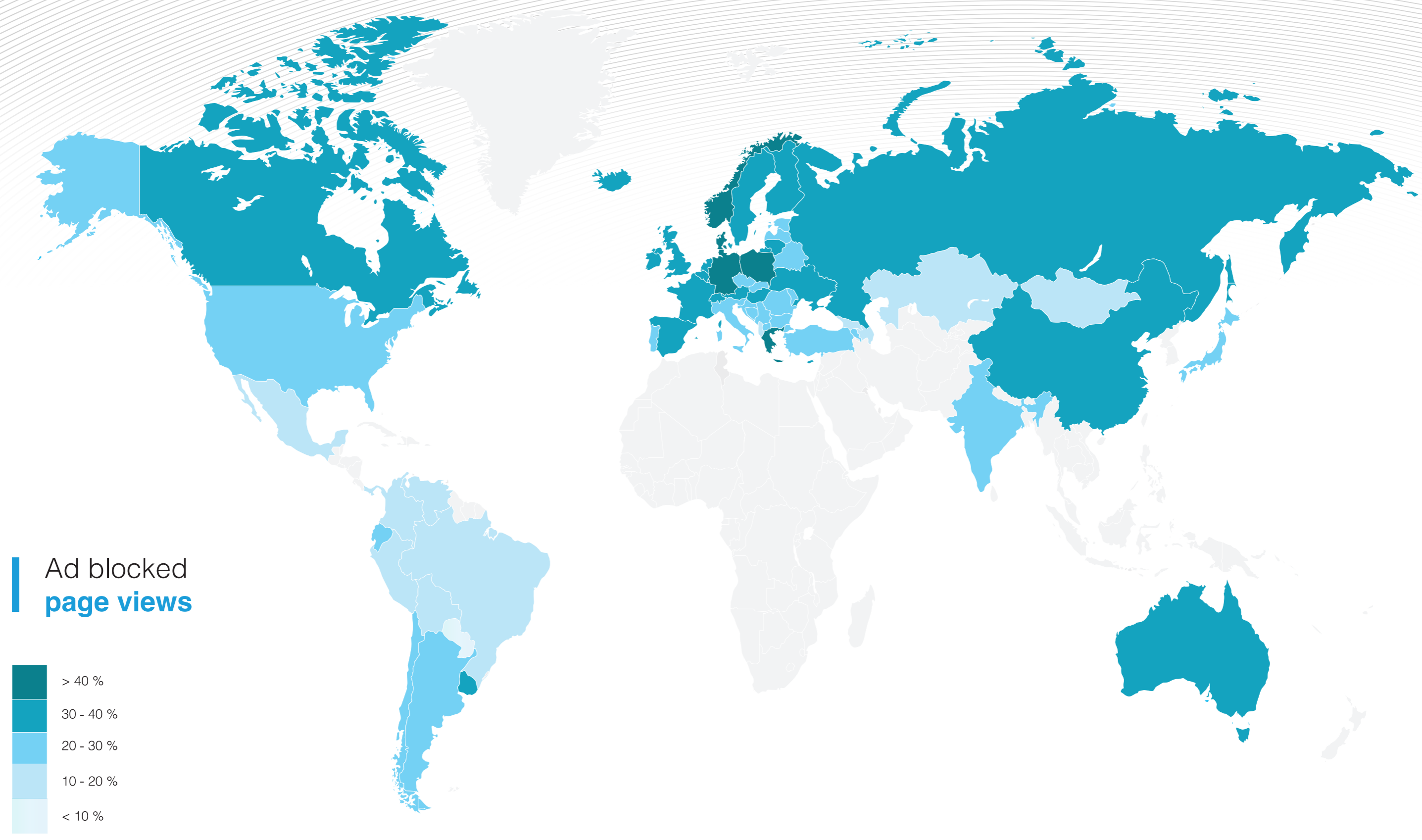
instead of unique users in order to show real impact on on-line advertising,

3. web traffic,

including desktop and mobile browsers.

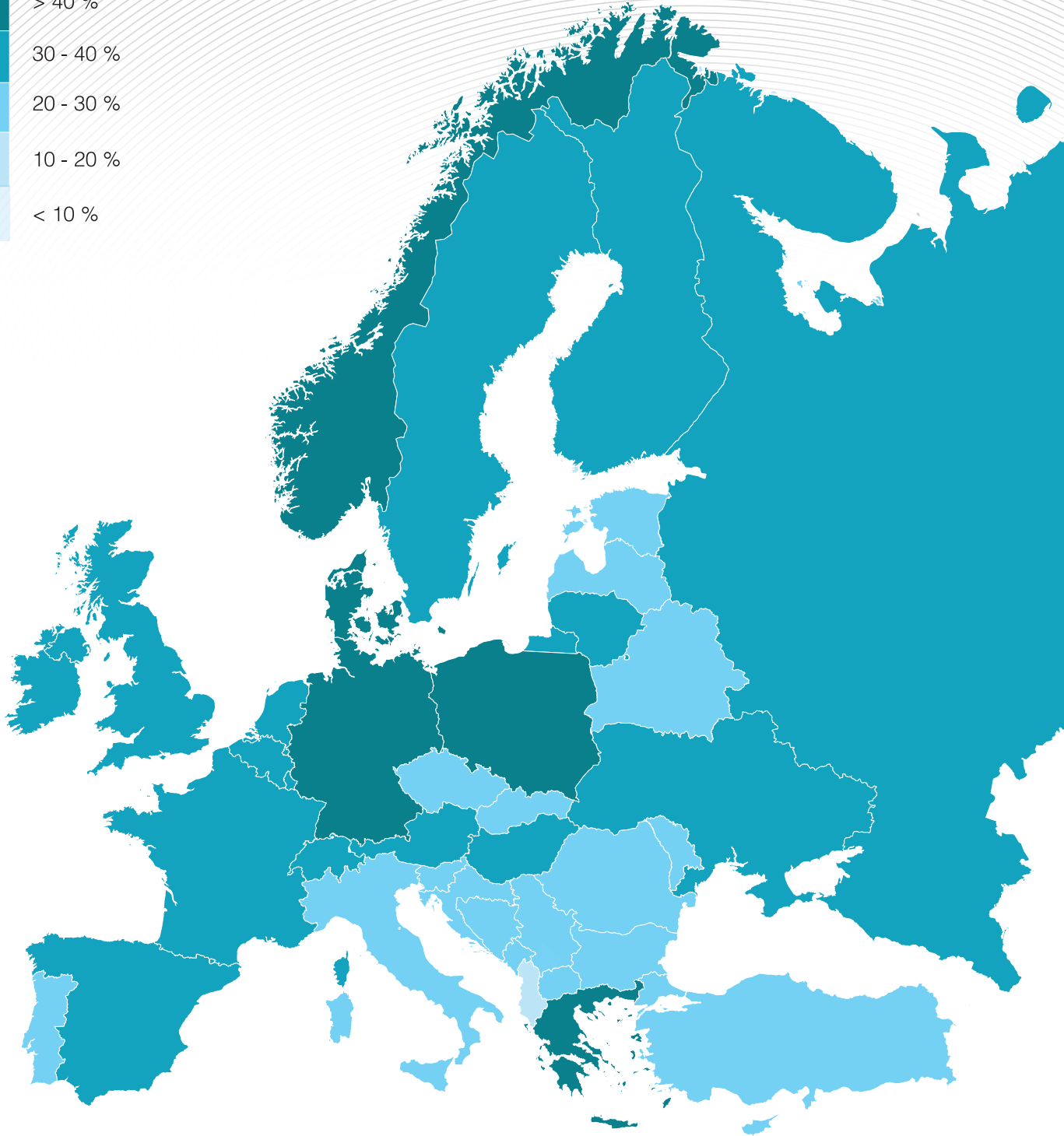
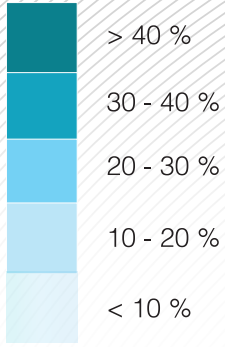
Blocking on-line advertisements is a complex phenomenon that affects the business models used by on-line publishers. In particular, on-line ad blocking contributes to an erosion of publishers' revenue and consequently undermines the sources of funding of the content published or the services provided. In the long run, it can lead to a consolidation of the online advertising market and thus cause a significant change in the way operations are funded, particularly those run by local publishers.

OnAudience.com has an on-line ad serving system that is resistant to ad blocking plugins ("UnBlock"). It simply encapsulates all the communication and is fully transparent for currently used ad systems. The solution successfully handles all common advertising formats, including HTML5, Rich Media and Video creatives. For publishers, it reclaims the lost revenues. For users, it keeps the Internet free of charge.



Ad blocked
page views

Country	Rate	Country	Rate
Albania	18%	Japan	26%
Argentina	26%	Kazakhstan	15%
Armenia	21%	Latvia	26%
Australia	34%	Lithuania	31%
Azerbaijan	14%	Luxemburg	33%
Austria	36%	Macedonia	23%
Belarus	27%	Malta	34%
Belgium	37%	Mexico	16%
Bolivia	14%	Moldova	25%
Bosnia and Herzegovina	28%	Mongolia	18%
Brazil	12%	Montenegro	22%
Bulgaria	29%	Netherlands	39%
Canada	32%	Norway	42%
Chile	30%	Paraguay	5%
China	31%	Peru	13%
Colombia	20%	Poland	46%
Croatia	27%	Portugal	27%
Cyprus	28%	Romania	29%
Czech Republic	26%	Russia	34%
Denmark	40%	Serbia	29%
Ecuador	25%	Slovakia	30%
Estonia	24%	Slowenia	23%
Finland	37%	Spain	36%
France	37%	Sweden	34%
Georgia	18%	Switzerland	35%
Germany	41%	Turkey	25%
Greece	44%	Ukraine	36%
Hungary	38%	United Kindgom	39%
Iceland	33%	USA	26%
India	22%	Uruguay	30%
Ireland	39%	Venezuela	10%
Italy	23%		



Ad blocked page views

Detailed data

Country	OnAudience.com PV		Change YoY	IAB UU	TNS UU
	2017	2016			
Albania	18%	21%	-13%		
Argentina	26%	22%	+18%		
Armenia	21%	14%	+44%		
Australia	34%	24%	+38%	27% ¹	
Azerbaijan	14%	11%	+25%		
Austria	36%	31%	+18%		
Belarus	27%	26%	+5%		
Belgium	37%	36%	+2%		29% ³
Bolivia	14%	12%	+18%		
Bosnia and Herzegovina	28%	27%	+4%		
Brazil	12%	4%	+232%		
Bulgaria	29%	27%	+10%		
Canada	32%	27%	+19%	18% ²	
Chile	30%	23%	+29%		
China	31%	23%	+36%		21% ³
Colombia	20%	18%	+12%		
Croatia	27%	19%	+38%		
Cyprus	28%	19%	+50%		
Czech Republic	26%	25%	+6%		
Denmark	40%	38%	+5%		
Ecuador	25%	24%	+4%		
Estonia	24%	22%	+9%		

¹IAB Australia, November 2016

²IAB Canada, May 2017

³Kantar TNS, Connected Life 2017

Ad blocked page views

Detailed data

Country	OnAudience.com PV		Change YoY	IAB UU	TNS UU
	2017	2016			
Finland	37%	30%	+25%		
France	37%	35%	+5%	30% ¹	
Georgia	18%	13%	+36%		
Germany	41%	32%	+29%	19% ²	39% ³
Greece	44%	27%	+66%		
Hungary	38%	26%	+45%		
Iceland	33%	31%	+7%		
India	22%	24%	-10%		
Ireland	39%	37%	+4%		29% ³
Italy	23%	21%	+9%		23% ³
Japan	26%	27%	+4%		13% ³
Kazakhstan	15%	22%	+32%		
Latvia	26%	23%	+13%		
Lithuania	31%	24%	+28%		
Luxemburg	33%	26%	+24%		
Macedonia	23%	16%	+41%		
Malta	34%	26%	+28%		
Mexico	16%	10%	+58%		
Moldova	25%	19%	+35%		
Mongolia	18%	22%	-19%		
Montenegro	22%	13%	+64%		
Netherlands	39%	37%	+6%		

¹ IAB France, March 2016

² OVK BVDW, November 2016

³ Kantar TNS, Connected Life 2017

Ad blocked page views

Detailed data

Country	OnAudience.com PV		Change YoY	IAB UU	TNS UU
	2017	2016			
Norway	42%	39%	+8%		
Paraguay	5%	4%	+35%		
Peru	13%	9%	+47%		
Poland	46%	42%	+8%	36% ¹	54% ⁵
Portugal	27%	28%	-4%		
Romania	29%	24%	+20%	29% ²	
Russia	34%	28%	+24%		
Serbia	29%	28%	+5%		
Slowakia	30%	27%	+8%		
Slowenia	23%	24%	-6%		
Spain	36%	28%	+29%	26% ³	27% ⁵
Sweden	34%	26%	+29%		
Switzerland	35%	30%	+16%		45% ⁵
Turkey	25%	20%	+23%		
Ukraine	36%	30%	+20%		
United Kindgom	39%	39%	+1%	22% ⁴	27% ⁵
USA	26%	22%	+16%		25% ⁵
Uruguay	30%	29%	+6%		
Venezuela	10%	9%	+14%		

¹ IAB Poland, September 2016

² IAB Romania, March 2017

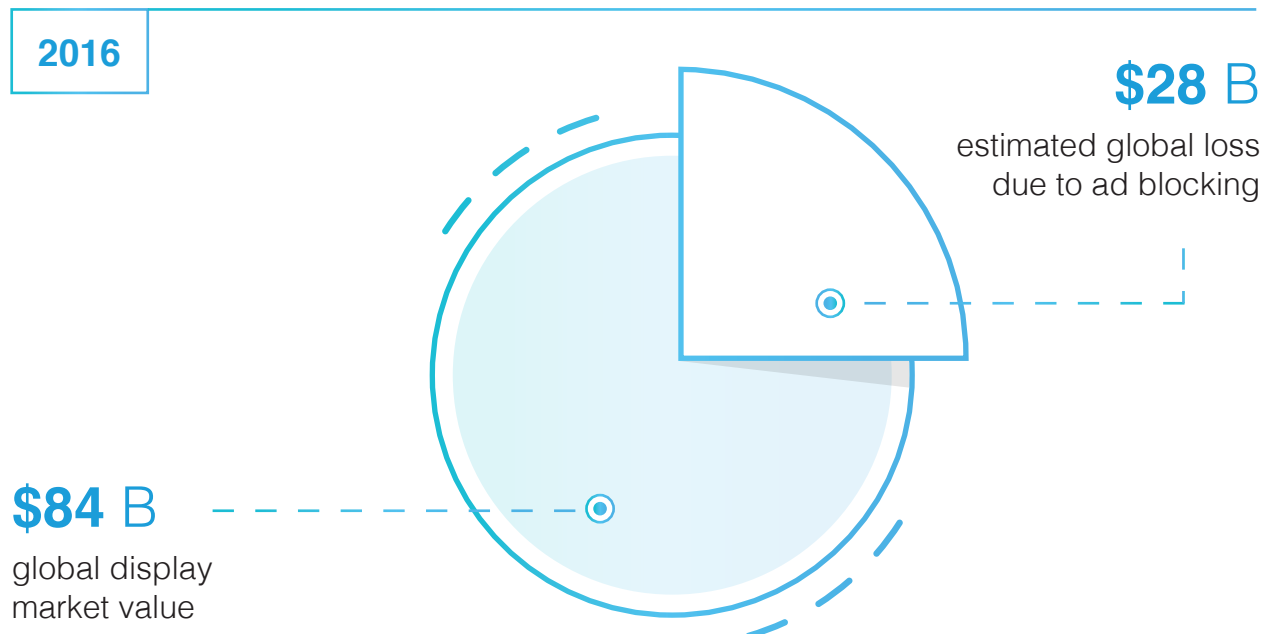
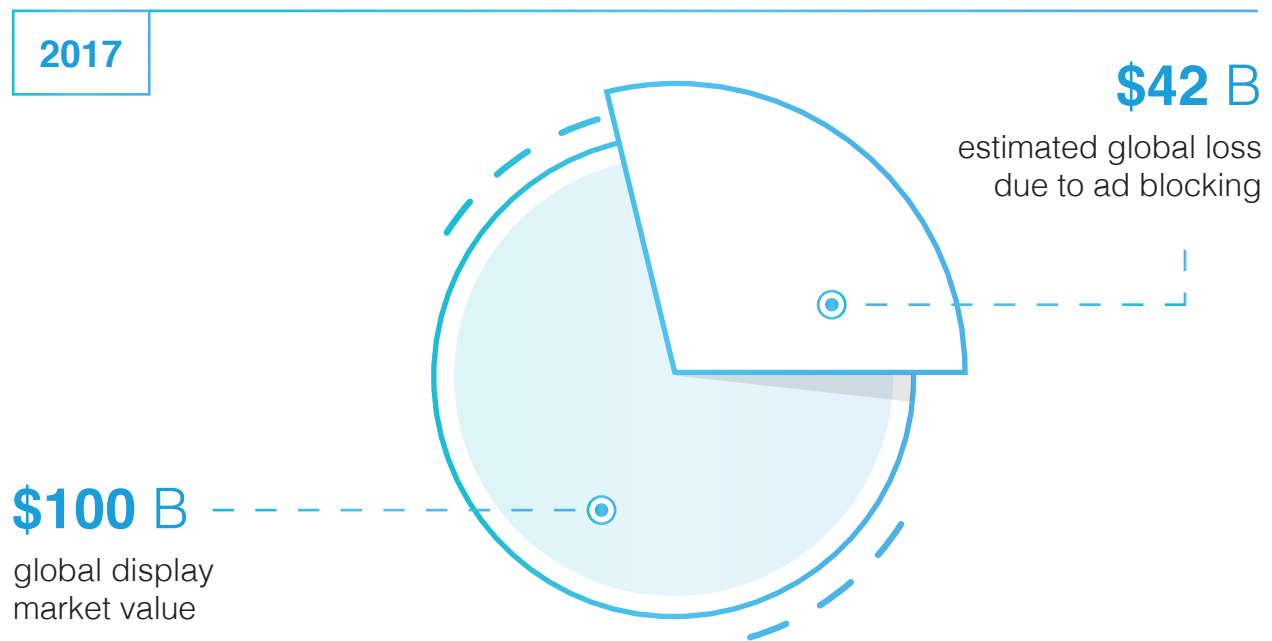
³ IAB Spain, March 2016

⁴ IAB UK, February 2017

⁵ Kantar TNS, Connected Life 2017

Impact on display advertising

Herewith estimated data concerning the value of display advertising markets together with an estimated value of ad blocked inventory. The measurement of the value of on-line advertising market is a complex process and presented data are intended solely to illustrate the scale of the phenomenon of ad blocking. Fixed eCPM level was assumed while estimating the value of the ad blocked space, regardless of the larger supply of advertising space.



Country	Display market value		Estimated loss	
	2017	2016	2017	2016
Argentina	\$544	\$399	\$192	\$113
Australia	\$2,397	\$2,138	\$1,215	\$690
Austria	\$362	\$298	\$208	\$133
Belarus	\$14	\$11	\$5	\$4
Belgium	\$715	\$588	\$412	\$329
Bosnia and Herzegovina	\$5	\$4	\$2	\$2
Brazil	\$1,691	\$1,470	\$236	\$56
Bulgaria	\$36	\$30	\$15	\$11
Canada	\$1,807	\$1,626	\$864	\$606
Chile	\$125	\$111	\$53	\$33
China	\$22,693	\$17,024	\$10,020	\$4,965
Colombia	\$87	\$76	\$21	\$16
Croatia	\$35	\$29	\$13	\$7
Czech Republic	\$527	\$434	\$188	\$143
Denmark	\$413	\$388	\$277	\$238
Ecuador	\$18	\$15	\$6	\$5
Estonia	\$23	\$19	\$7	\$5
Finland	\$195	\$181	\$114	\$76
France	\$1,435	\$1,353	\$829	\$722
Germany	\$1,913	\$1,812	\$1,318	\$838
Greece	\$84	\$69	\$67	\$25
Hungary	\$110	\$90	\$66	\$32

Values in millions

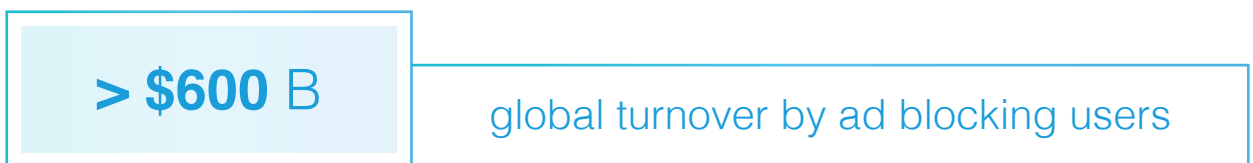
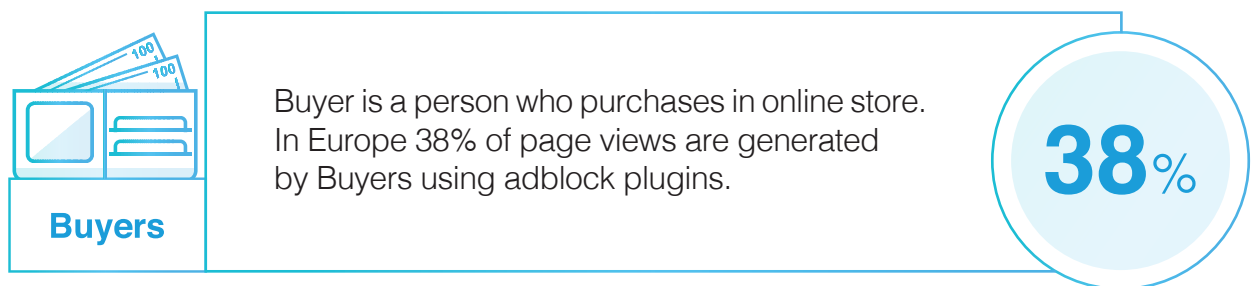
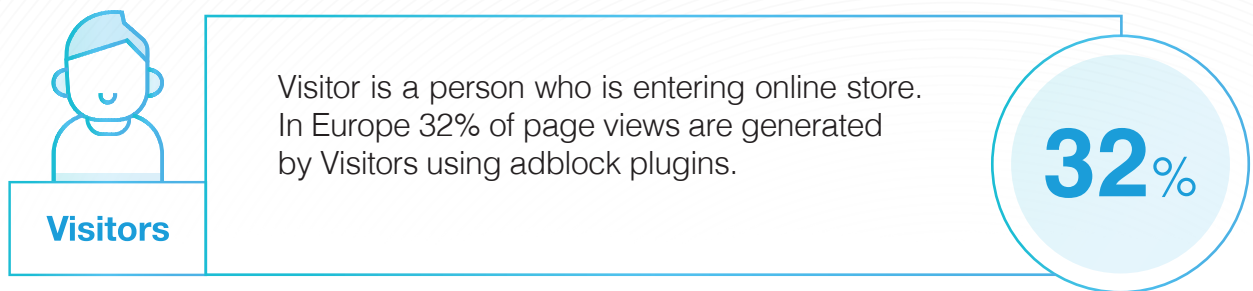
Impact on display advertising

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Country	Display market value		Estimated loss	
	2017	2016	2017	2016
India	\$693	\$531	\$193	\$169
Ireland	\$239	\$197	\$152	\$117
Italy	\$1,313	\$1,197	\$386	\$316
Japan	\$5,944	\$5,419	\$2,117	\$2,046
Mexico	\$998	\$828	\$194	\$95
Moldova	\$3	\$2	\$1	\$1
Netherlands	\$813	\$772	\$516	\$449
Norway	\$424	\$393	\$303	\$246
Peru	\$60	\$50	\$9	\$5
Poland	\$485	\$399	\$409	\$292
Romania	\$42	\$35	\$17	\$11
Russia	\$815	\$713	\$423	\$272
Serbia	\$14	\$11	\$6	\$4
Slovakia	\$94	\$78	\$40	\$29
Slowenia	\$39	\$32	\$11	\$10
Spain	\$775	\$726	\$433	\$279
Sweden	\$611	\$554	\$313	\$198
Switzerland	\$307	\$253	\$162	\$107
Turkey	\$444	\$365	\$148	\$93
Ukraine	\$58	\$48	\$33	\$21
United Kindgom	\$6,026	\$5,276	\$3,870	\$3,352
USA	\$44,967	\$38,140	\$15,865	\$11,048

Values in millions

Herewith estimated data concerning the turnover in the e-commerce segment and the value of users who block on-line advertising. Special attention should be drawn to the growing participation of users who block on-line advertising in the subsequent stages of the ordering process.



Country	E-commerce turnover	Ad blocked turnover	Country	E-commerce turnover	Ad blocked turnover
Australia	\$22,200	\$7,468	Luxemburg	\$600	\$195
Austria	\$7,500	\$2,734	Netherlands	\$16,100	\$6,253
Belgium	\$8,200	\$2,997	Norway	\$7,900	\$3,291
Brazil	\$17,105	\$2,095	Poland	\$7,600	\$3,476
Canada	\$35,700	\$11,553	Portugal	\$3,300	\$883
China	\$766,500	\$234,779	Romania	\$1,500	\$437
Czech Republic	\$4,300	\$1,132	Russia	\$20,500	\$7,003
Denmark	\$11,700	\$4,691	Slovakia	\$460	\$136
Finland	\$7,200	\$2,663	Slowenia	\$250	\$57
France	\$64,900	\$23,760	Spain	\$18,200	\$6,521
Germany	\$59,700	\$24,352	Sweden	\$9,700	\$3,289
Greece	\$3,800	\$1,686	Switzerland	\$8,500	\$2,936
Hungary	\$1,100	\$415	Turkey	\$8,500	\$2,131
Ireland	\$5,900	\$2,297	Ukraine	\$1,400	\$503
Italy	\$16,600	\$3,768	United Kindgom	\$157,100	\$61,442
Japan	\$114,402	\$30,042	USA	\$595,100	\$155,202

Values in millions

On-line ads are blocked by software, which can work on different levels. However, the software is most often installed as a plugin to the web browser which verifies:

- 1 — — — — — ● internet domains and blocks traffic from known sources of on-line advertising (e.g. adservers),
- 2 — — — — — ● the content and hides elements typical for on-line advertising (e.g. keywords, image dimensions).

OnAudience.com owns a data management platform and collects anonymous information about on-line user behaviours. OnAudience.com analyses data generated on the Internet by over **3 billion devices**, and then uses it to profile users and target on-line advertising.

Definitions



Unique User

UU, Unique User, is a user identified through a cookie file or a similar technology.



Page View

PV, Page View, is a view of a website calculated on pixel requests or similar technology.

Sources

Display market value

has been estimated on PHD Media Direction internal data with support of eMarketer and Adex publicly available data.

E-commerce turnover

has been estimated on data published by E-commerce Foundation.

- For advertisers and publishers OnAudience.com is the only platform that successfully converts blocked impressions and Big Data into revenues. Unlike other platforms, OnAudience.com provides comprehensive services and products that effectively enriches and monetizes your data.
- OnAudience.com provides Big Data tools and services for on-line marketing on over 40 markets in Europe and North America. The company has one of the largest 3rd party data sets in the World that consist of over 3 billion user profiles.
- OnAudience.com integrates data management, including DMP and Data Exchange with programmatic buying, including DSP and Mailing Exchange. It is a tailor made solution for performance marketing focused on prospecting customers and e-commerce platforms.
- OnAudience.com is a part of Cloud Technologies S.A. group, one of the fastest growing companies in Europe.
- Cloud Technologies S.A. is the online advertising leader in the segment of Big Data CloudComputing. The company has unique competencies in optimizing advertising campaigns based on automated media buying (Programmatic Buying, Real-Time Bidding).





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