Q4 and FY
2018

Q4 and FY 2018 Video Benchmarks

This comprehensive report, based on the latest aggregate performance metrics from ER's robust proprietary video ad server within AdBridge, tracks campaigns for a diverse set of brands across multiple categories. Our industry-wide snapshot identifies emerging ad performance trends as indicated by such metrics as viewer click-through, video ad completion and viewability rates, as well as invalid traffic and time spent. It also provides breakdowns related to these numbers based on media destination (i.e., premium publisher vs. media aggregator) and device (i.e., desktop, mobile, tablet and connected television [CTV]).

And it's clear—consumers love CTV!

Extreme Reach

TV viewers' enthusiastic embrace of connected TV platforms is having a transformative effect on the entire video advertising ecosystem. Over the last few years, consumer adoption of CTV has soared to about 190 million users and shows no signs of stopping. To keep up with the 57% of the population that has migrated from linear TV to, say, Roku or Apple TV or ad-supported streaming services, advertisers have followed suit—albeit cautiously at first. And while eMarketer notes that CTV likely represents only a small piece of overall digital ad spend, it's clear from our video ad serving data that CTV investments are having an outsize impact on advertisers' ability to connect and engage with hard-to-reach audiences.

In fact, this latest data shows that CTV ad impressions grew from 15% in Q4 2017, to 44% in Q4 2018—a stunning 193% increase. We also see CTV having a halo effect on other areas, including increased average ad length and higher video completion rates for premium publishers.

Dive in for more and don't hesitate to reach out with questions and feedback.

Full-Year 2018 Analysis

n comparing full-year 2018 to full-year 2017, three trends stand out:

- Connected TV overtook mobile as video advertising's growth engine
- 30-Second Ads Stage a Comeback with CTV
- Premium publishers once again delivered premium results

Looking back to 2016 provides a broader view of the trends we're seeing.

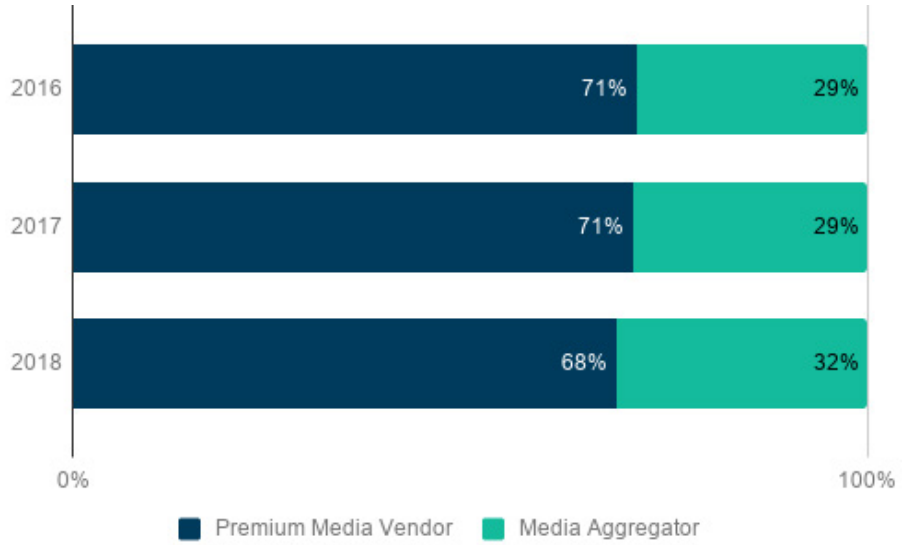
Full Year 2018

Percent of Impressions

A look at how all video impressions served by Extreme Reach break down by ad length, media type and device

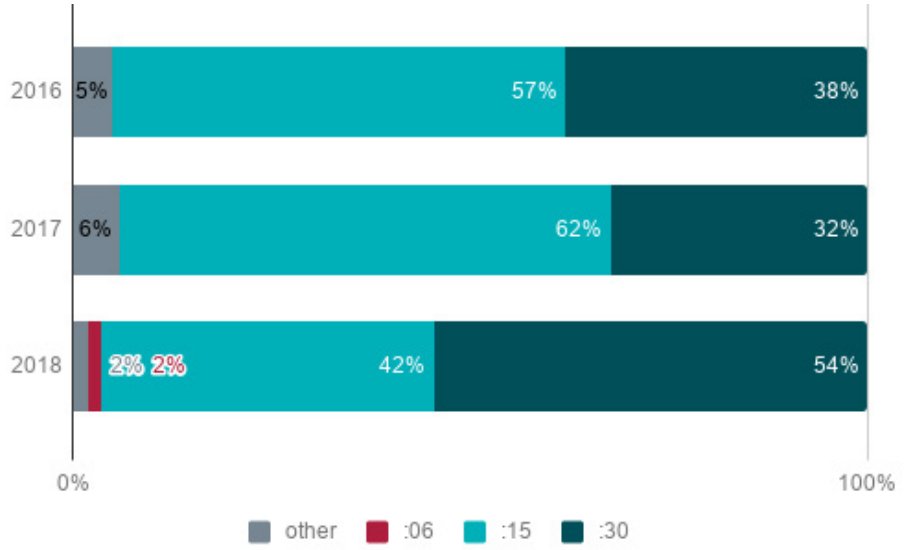
Impressions by Media Type

Premium publishers declined slightly year-over-year, giving up three percentage points to media aggregators and netting out at 68% vs. 32% respectively.



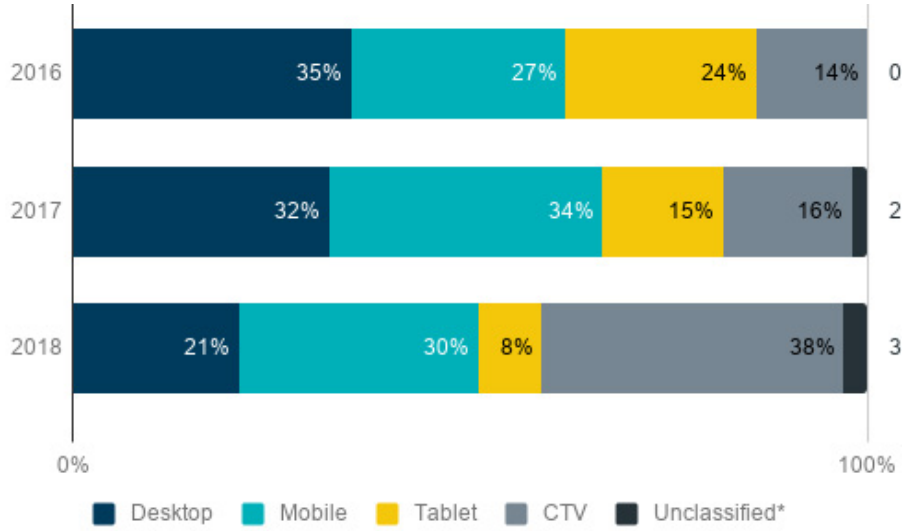
Impressions by Ad Length

CTV is driving the resurgence of the 30-second ad. The percentage of impressions for 30-second ads in full year 2018 saw an increase of 66% over full-year 2017. At the same time, the declines in mobile and desktop viewing by consumers led to a significant decrease in the share of impressions for 6-second ads, which declined 46% year over year. 15-second spots, which held the lion's share of impressions throughout 2017, declined 33% from full year 2017 to full year 2018.



Impressions by Device

While mobile dominated video ad impressions throughout 2017, peaking in Q4 with a 39% share, CTV surged ahead in 2018 and the full-year comparison is dramatic. In 2017, CTV accounted for just 16% of ad impressions by device. In 2018, CTV captured 38%, winning impressions from all other devices: desktop, mobile and tablets, which averaged for the year 21%, 30% and 8%, respectively.



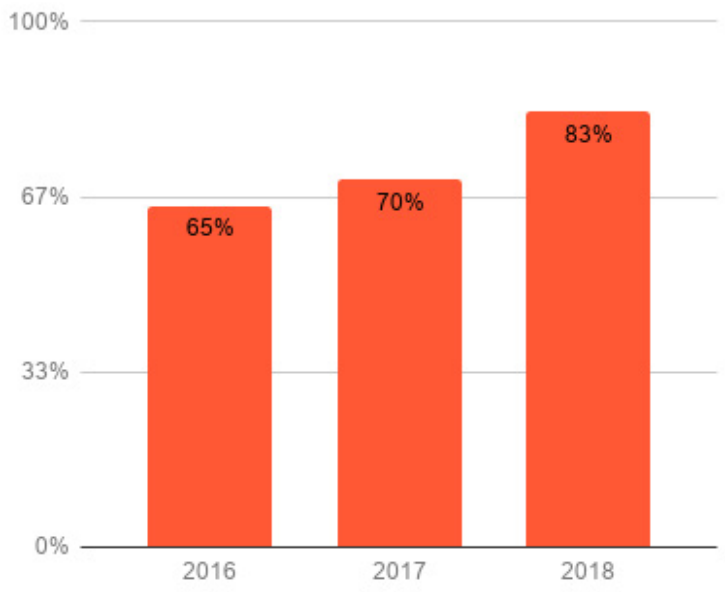
Video Completion Rates

Percent of Impressions where video played all the way through

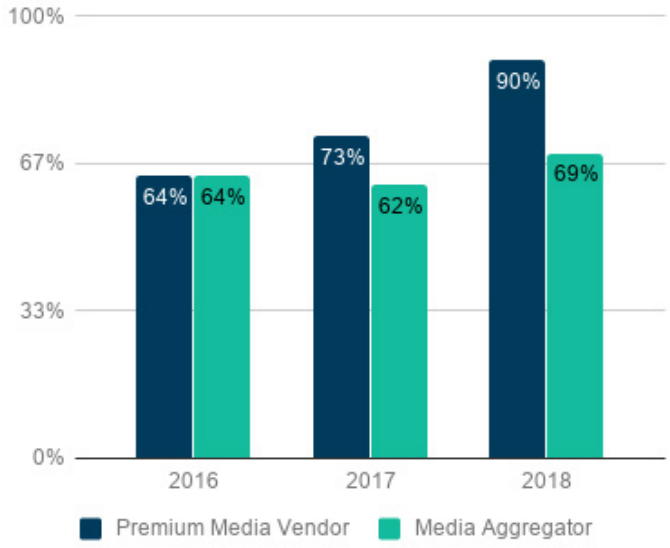
CTV and Premium Publishers Drive Highest Completion Rates

While video completion rates are up for all devices, CTV is the winner in the category with 95% of ads playing all the way through. For media type, premium publishers hit a new high of 90% completion rate and aggregators rose too, with an average of 69% for 2018. 30-second ads held the lead over 15- and 6-second spots for the three years captured in this report.

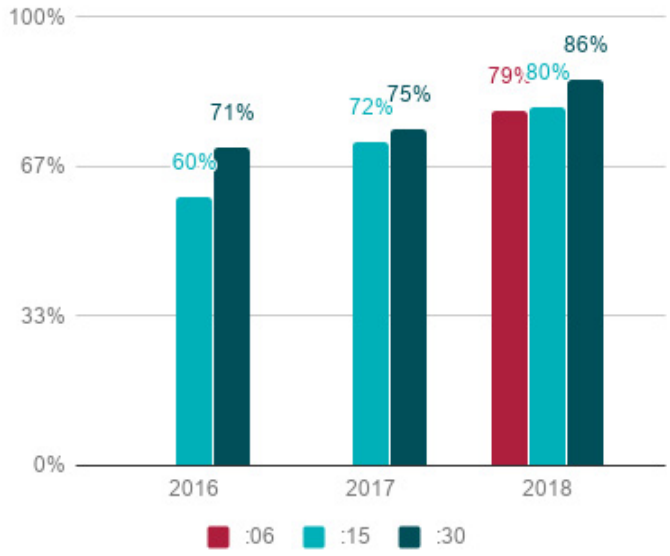
Average Video Completion Rate by Year



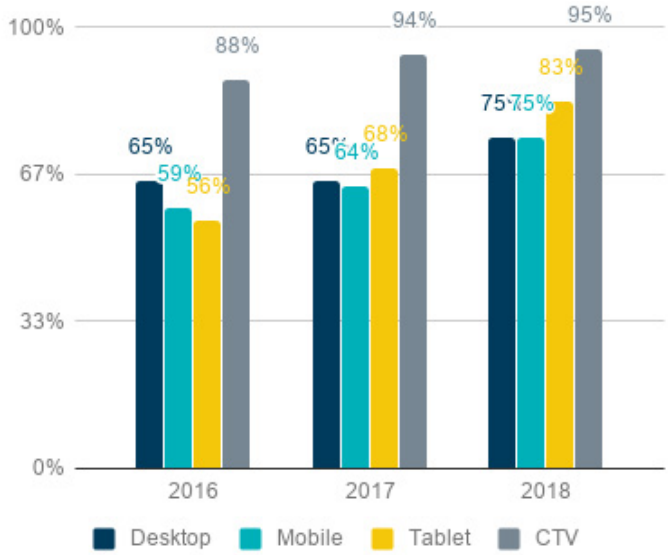
Video Completion Rate by Media Type



Video Completion Rate by Ad Length



Video Completion Rate by Device

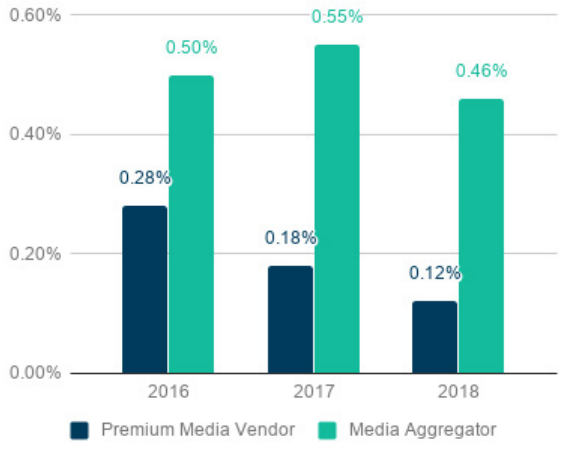


Click-Through Rates / Engagement

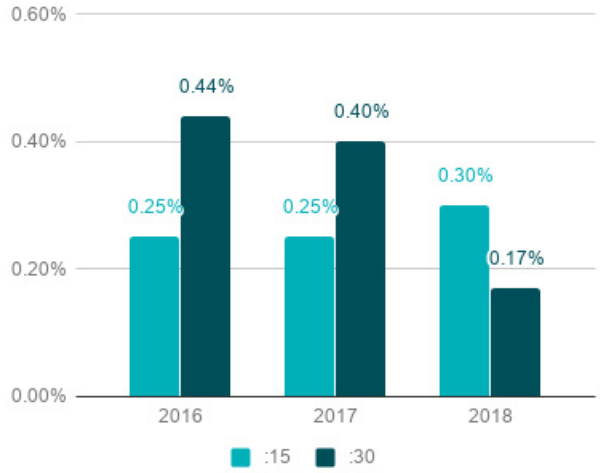
Number of clicks divided by the number of impressions

Click-through rates overall have been in decline for three years. Rates are stronger among aggregators than for premium publishers, likely because advertisers investing in premium inventory are prioritizing sustained viewer attention over click-throughs as a campaign goal. The tremendous increase in CTV impressions served also had a big impact on the overall decrease in CTR because viewers do not typically have a click-through option with ads on CTV. Mobile and tablets have both shown an increase in click-through rates, indicating that marketers set different goals for impressions served on those devices.

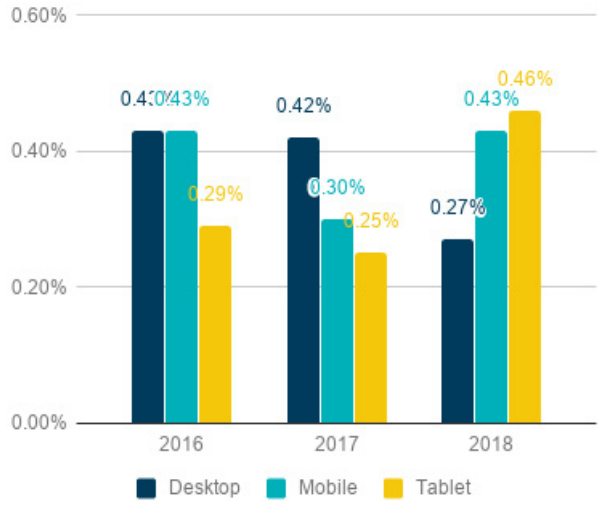
Click- Through Rate by Media Type



Click- Through Rate by Ad Length



Click- Through Rate by Device



General Invalid Traffic (GIVT) Filtered Rate

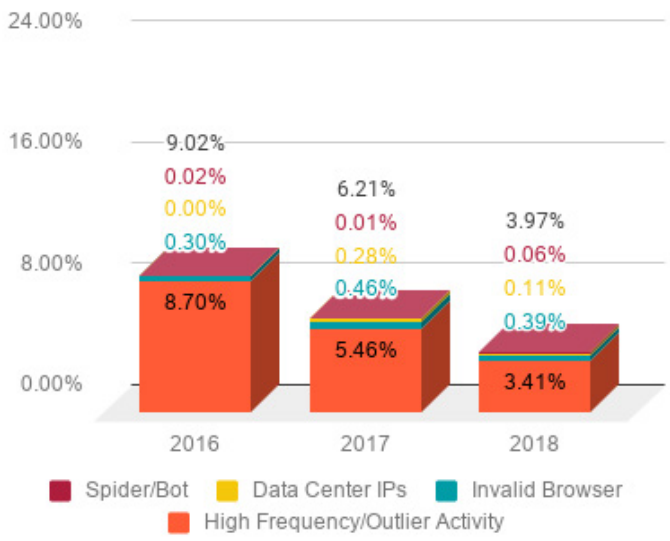
Percent of Impressions filtered from gross counts

High frequency/outlier activity tops the list of reasons for filtering General Invalid Traffic, but the percentage of filtered impressions is low and getting lower. The overall GIVT rate for full year 2017, 6.2%, dropped to 3.97% for full-year 2018. In that same time, the average of high frequency/outlier activity dropped from 5.46% in 2017 to 3.41% for full-year 2018. The aim here, for publishers and advertisers, is to keep traffic generated by non-human means to a minimum and the percentages we see are going in the right direction.

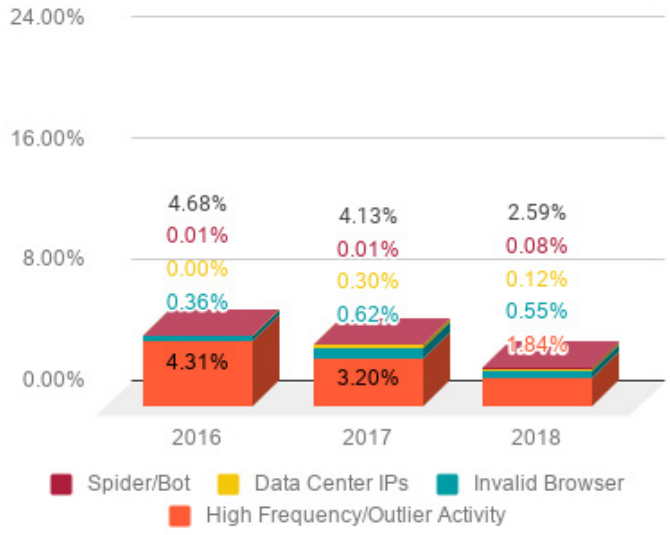
High frequency/outlier activity is also the primary reason for GIVT on premium publisher sites. Levels are consistently lower than those seen on aggregator sites and we've seen a decreasing trend of overall GIVT among premium publishers over the past three years. 2018 finished with high frequency rates down from an average of 3.2% for full-year 2017 to an average of 1.8% for full-year 2018.

The three year trend for general invalid traffic among aggregators shows a steep decline. In the past year alone, we've seen a decrease of 37%, from 10.87% in full-year 2017 to 6.83% in full-year 2018.

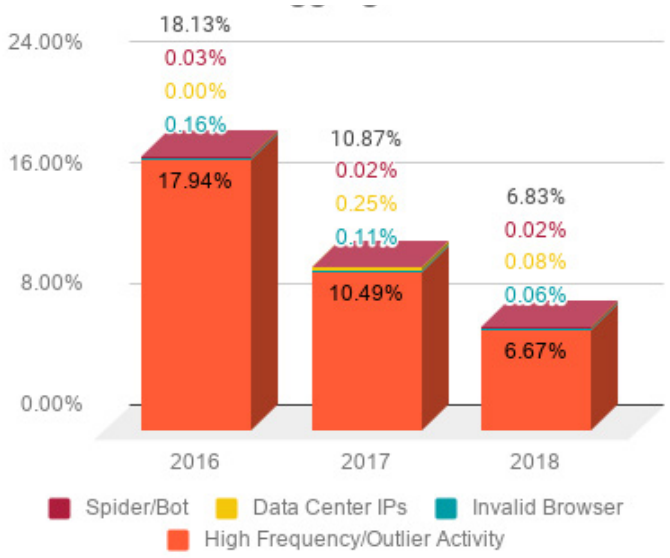
Average General Invalid Traffic By Reason



General Invalid Traffic for Premium Media Vendor



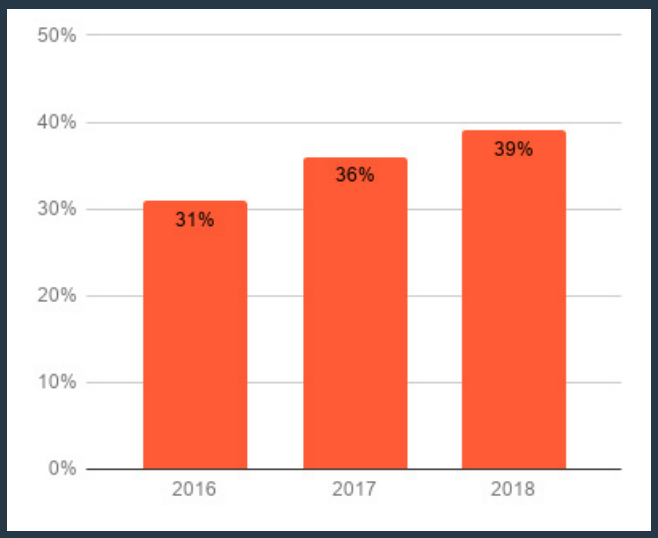
General Invalid Traffic for Media Aggregator



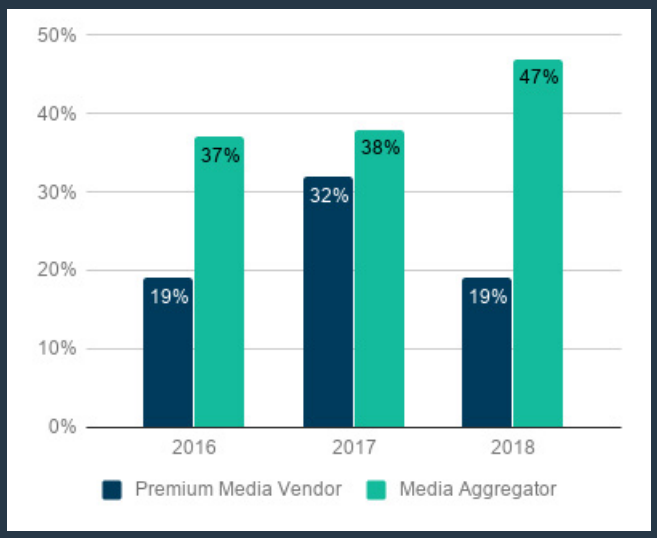
Small Player Rate

Small player size rate captures impressions on video players <400x300 wxh in pixels

Average Small Player Rate



Small Player Rate by Media Type

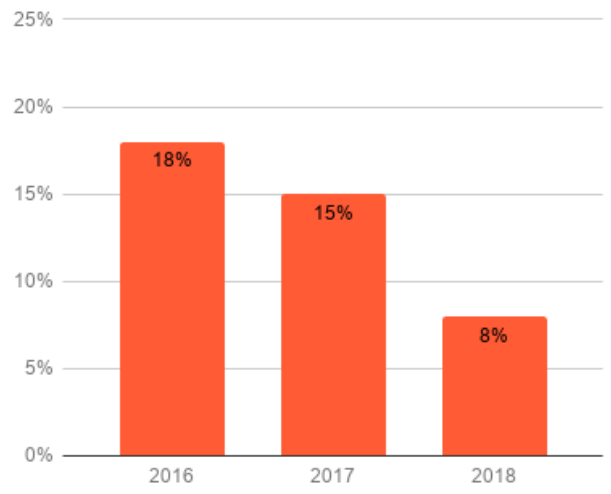


In-Banner Video Rate

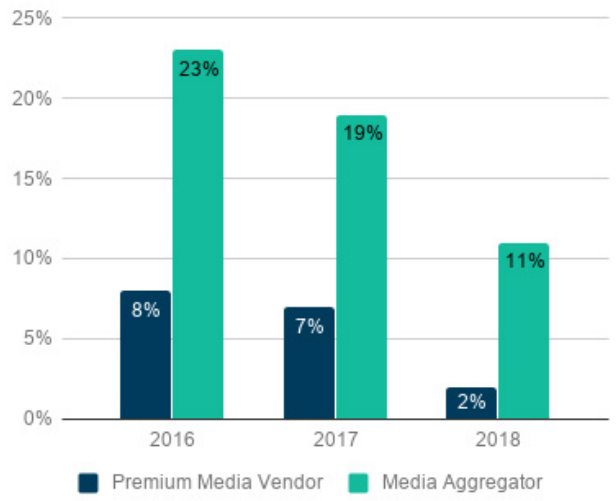
In-banner video rate captures impressions on video players 300x250 wxh in pixels

In-banner video rates continued a steady decline in 2018, across media types, landing at 8%. The rate among both media aggregators and premium publishers decreased over three years, though aggregators still account for the large majority of in-banner video at 11% for 2018 vs. 2% for premium sites.

Average In-Banner Video Rate



In-Banner Video Rate by Media Type

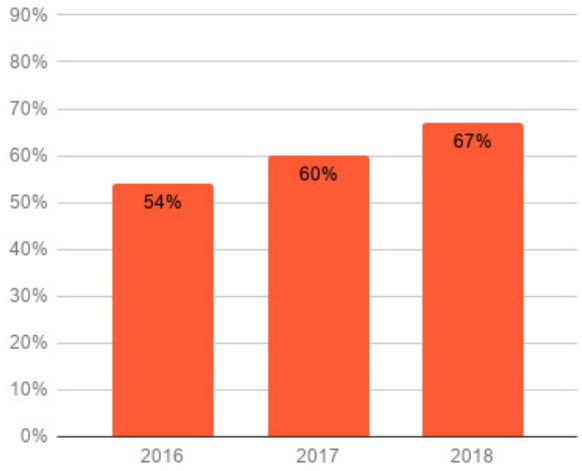


Viewability

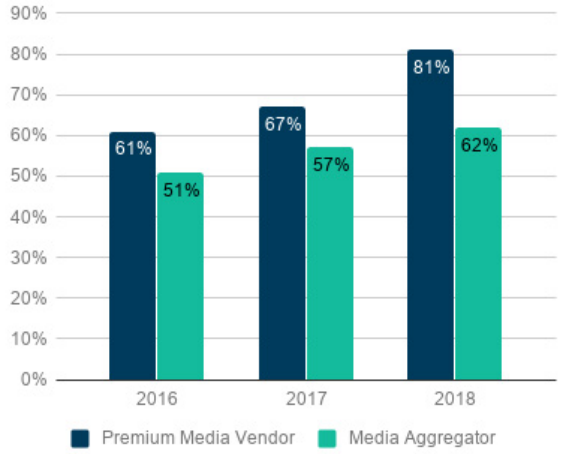
Percent of impressions, minimum 50% in view for minimum of 2 consecutive seconds

Viewability rates continued to increase across media types and ad lengths in 2018, which is good news for advertisers. Both premium publishers and media aggregators saw rates rise, with premium publishers maintaining their lead over aggregators, finishing the year at 81% and 62% respectively. 30-second ads consistently earned a higher percentage of viewable impressions than 15-second ads in 2018, with year-end averages of 76% vs 63% for 15-second spots.

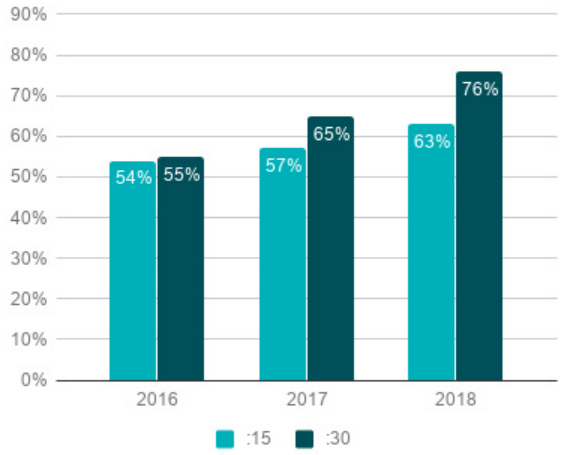
Average Viewability Rate



Viewability by Media Type



Viewability by Ad Length



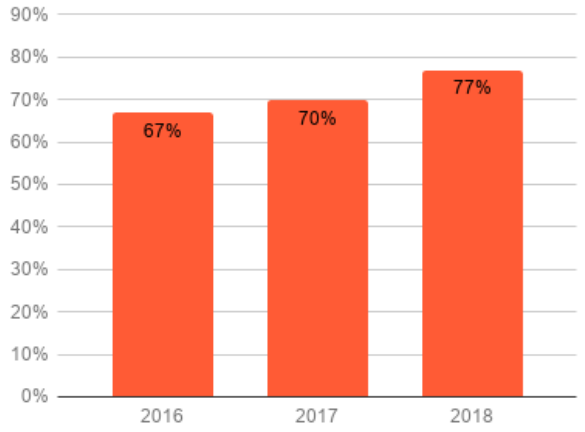
Viewable Completion Rate

Percent of impressions, both viewable and played all the way through. Viewable Completion Rate is a subset of Viewability.

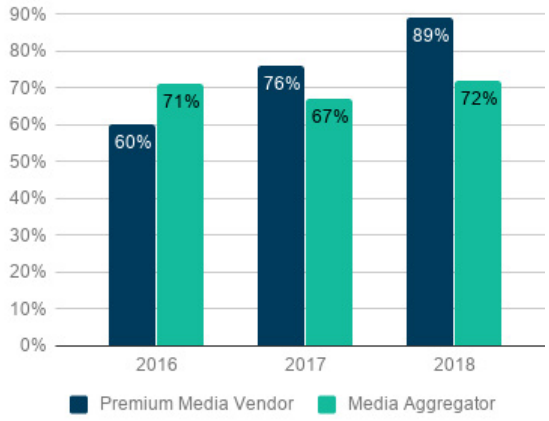
In 2017, 15-second ads definitively dominated 30-second ads in viewable completion rate. But in 2018, 30-second ads edged into the lead experiencing higher rates of growth in viewable completion rate than the shorter spots. Full-year averages for 2018 were similar, with 30-second ads showing an increase in viewable completion rate of 18% vs. 6% for the shorter ads.

Viewable completion rate is a subset of viewability, above. In 2018, premium publishers generally held a large lead over media aggregators. At year end, viewable completion rates for premium publishers reached an average of 89% for full-year 2018, while aggregators averaged 72% for the year.

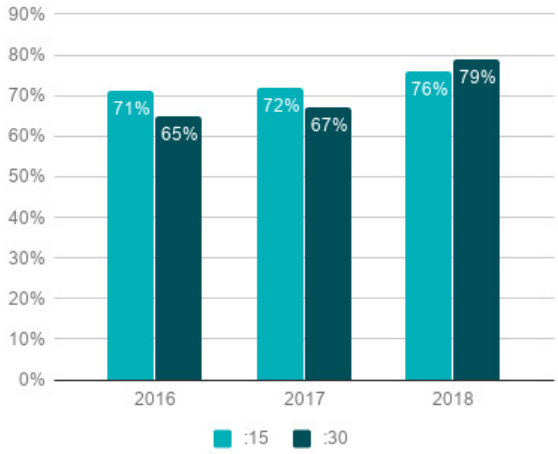
Average Viewable Completion Rate by Year



Viewable Completion Rate by Media Type



Viewable Completion Rate by Ad Length



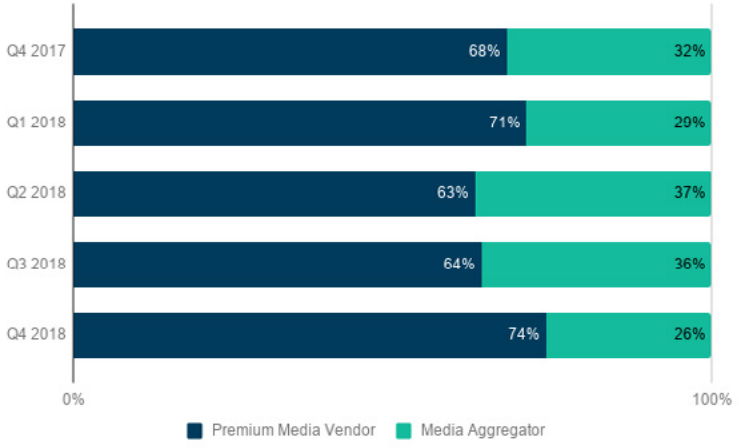
4th Quarter
2018

Percent of Impressions

A look at how all video impressions served by Extreme Reach break down by ad length, media type and device

Percent of Impressions by Media Type

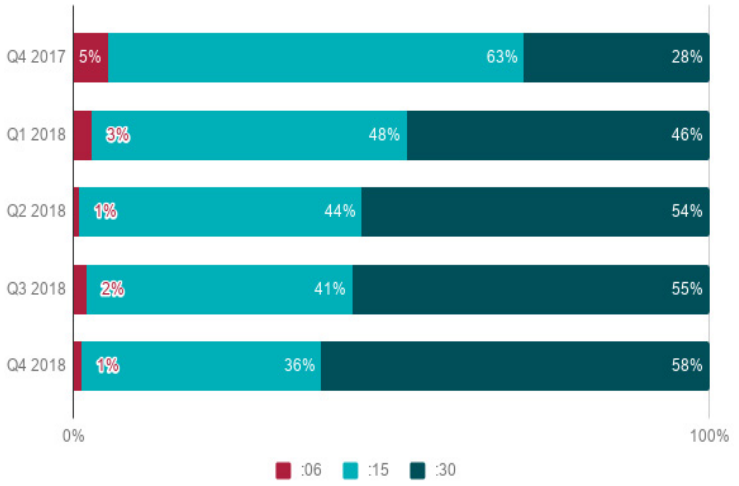
In Q4 2018, premium publishers expanded their lead over aggregators in the percentage of overall impressions served by media type, finishing Q4 with 74% vs 26% for aggregators. That's a substantial shift from Q3 when premium publishers accounted for 64% vs 36% for aggregators.



Percent of Impressions by Ad Length

30-second ads made a strong comeback between Q4 2017 and Q4 2018. The share of impressions commanded by 30-second spots in that one-year period more than doubled from 28.5% to 58%. At the same time, the share of 6-second and 15-second video ads declined dramatically, from 5% to 1% for 6-second spots and from 63% to 36% for 15-second ads. The resurgence of longer creative aligns with the growth of CTV, a format conducive to a lean-back, TV-like mode of viewing.

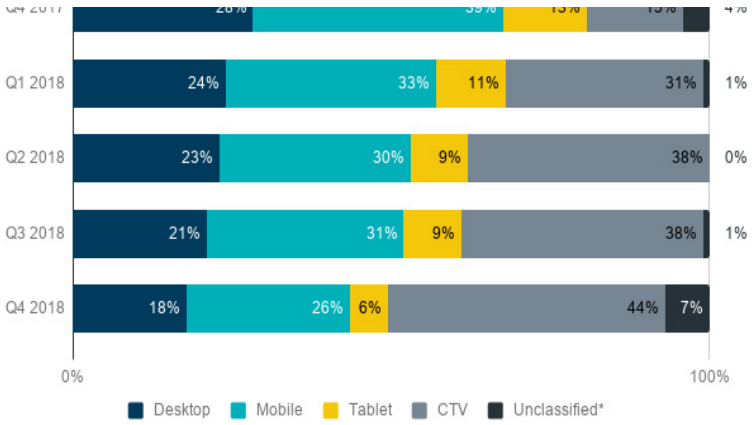
Note: small data sample sources for other ad lengths have been excluded, hence the rows in this chart do not total 100.



Percent of Impressions by Device

For the last five quarters we've seen a continuing trend: the decline of overall impressions served to desktop, mobile and tablet, while CTV has surged ahead. The jump from 15% of impressions in Q4 2017 to 44% in Q4 2018 amounts to a growth of 193% in CTV impressions in just one year.

For advertisers, directly-bought CTV provides a brand safe environment that remains relatively insulated from the high frequency/outlier and bot activity found in other digital channels. Advertisers should be aware, though, that where there are such dramatic increases in impressions served, hence money spent, non-human activity is bound to follow. Continuous data gathering and analysis from Extreme Reach will provide early warning signals for increased fraud attempts and the ability to contain it.



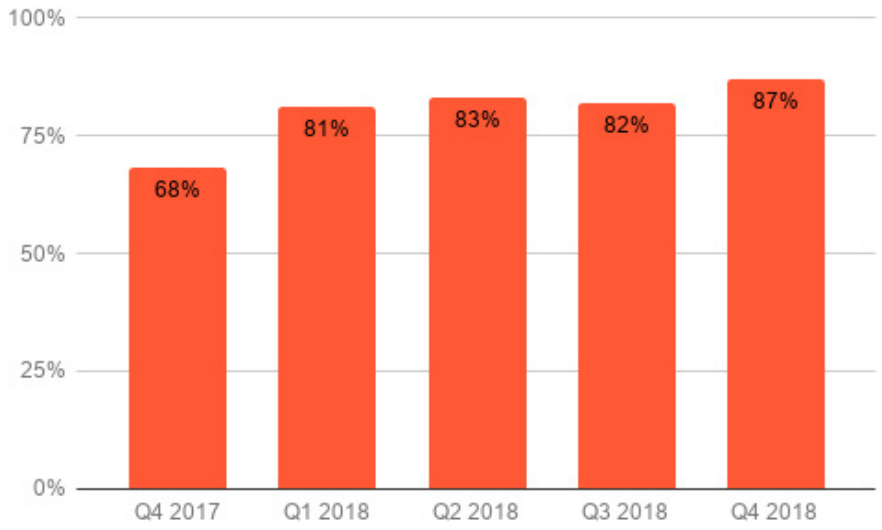
*Unclassified captures impressions from user agents who are known to be valid, as per industry sources, but whose platform or device we are unable to identify.

Video Completion Rate

Percent of Impressions where video played all the way through

Average VCR

The average video completion rate jumped to 87% in Q4 2018, its highest for the year and a nearly 28% increase over 2017's Q4 of 68%. That helped push the 2018 full-year average to 83% vs 70% for 2017. The strong and steady growth we've seen in average VCR over the past few years is a boon to advertisers who favor viewer completion metrics over click-through rates.



+6.1%

Quarter / Quarter

Q3 2018 / Q4 2018

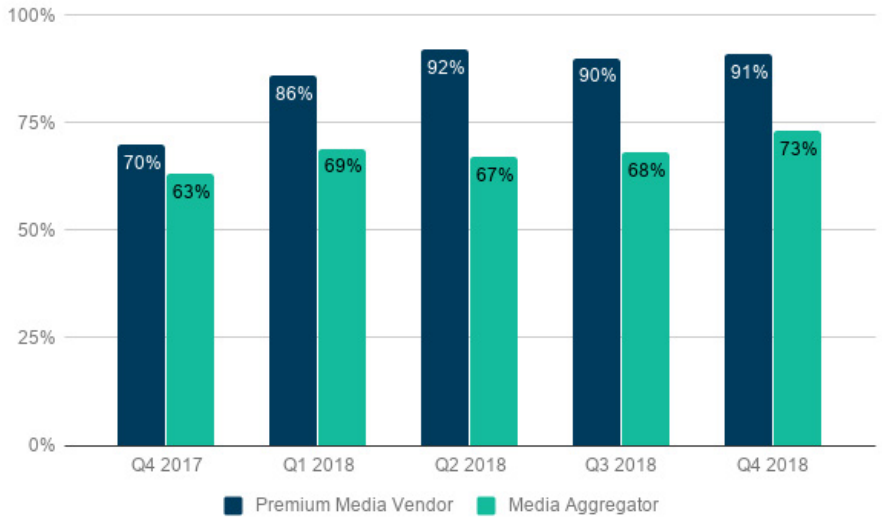
+27.9%

Year / Year

Q4 2017 / Q4 2018

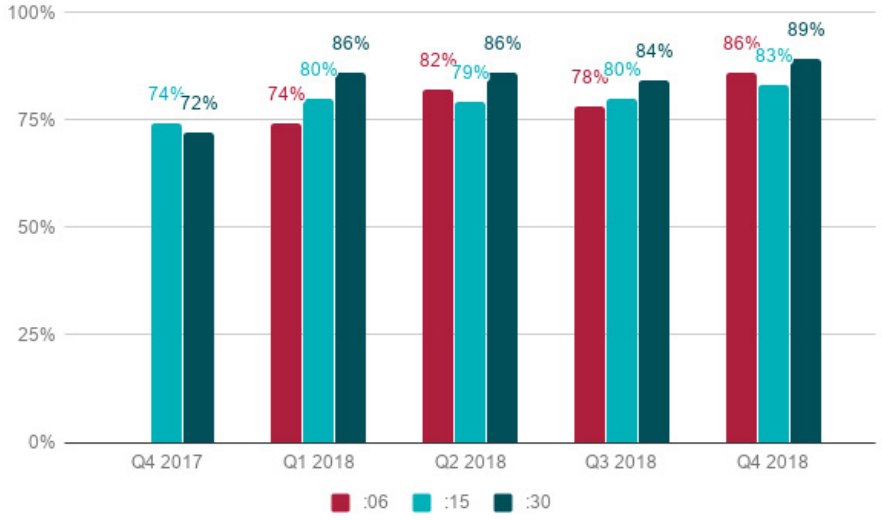
VCR by Media Type

Video completion rates for premium publishers surged throughout 2018, hitting 91% in Q4 vs 70% in Q4 2017. Aggregators grew a more modest 11%, with quarterly percentages mostly in the 60% range. The ongoing appeal of premium sites is dictated by a number of factors, including high completion rates, that sustain their ability to engage consumers in a reliable, brand-safe environment.



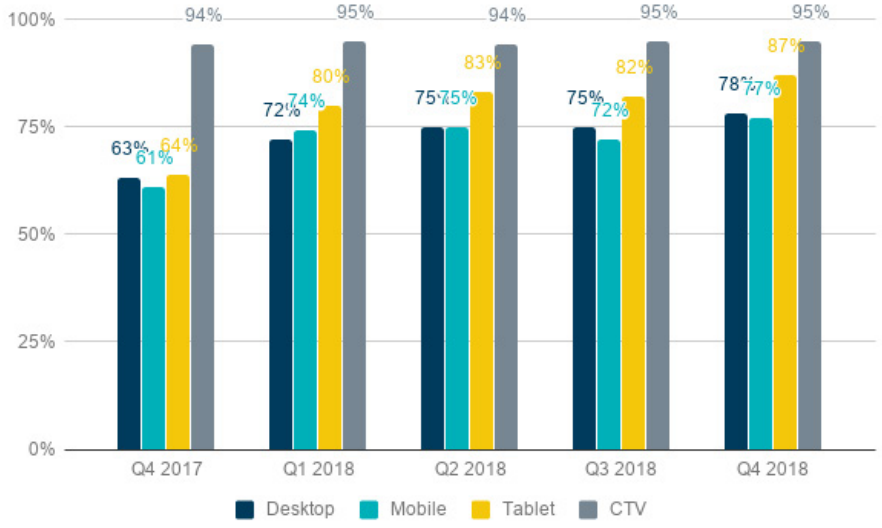
VCR by Ad Length

Completion rates for both 15- and 30-second ads grew steadily throughout 2018, but it was the longer length that experienced the biggest spike at the end of the year. In Q4, 30-second ads hit 89% vs. 72% in Q4 2017, a 24% increase. 15-second ads grew by half that, logging 12% growth in Q4 with completion rates of 83% in 2018 vs. 74% for Q4 2017.



VCR by Device

While video completion rates are rising across all devices, CTV stands apart with 95% of video ads playing all the way through—a percentage that has seen only slight fluctuation over the past 8 quarters. No other category came close to CTV in terms of percentage share, but completion rates in other devices also logged solid growth. From Q4 2017 to Q4 2018, desktop, mobile and tablets hit 24%, 26% and 36% respectively. We believe the reason CTV consistently outperforms the other devices in this metric is that viewers tend to be committed to the content they've chosen to watch, don't seem to be interested in clicking around to bide time while waiting for the program to return and typically don't have the option to skip the ads.

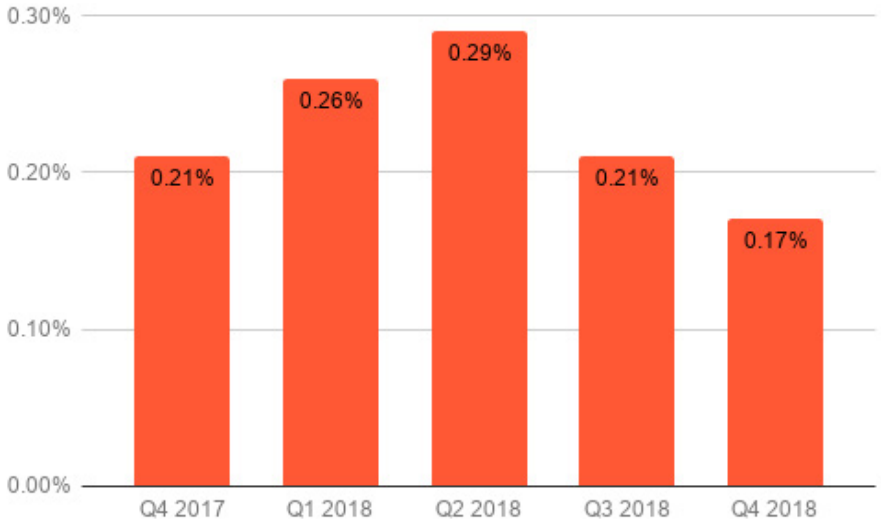


CTV = Connected TV, e.g., Roku, Apple TV, Playstation, Amazon Firestick and Smart TVs

Click-Through Rate / Engagement

Number of clicks divided by the number of impressions

Average CTR



-19.1%

Quarter / Quarter

Q3 2018 / Q4 2018

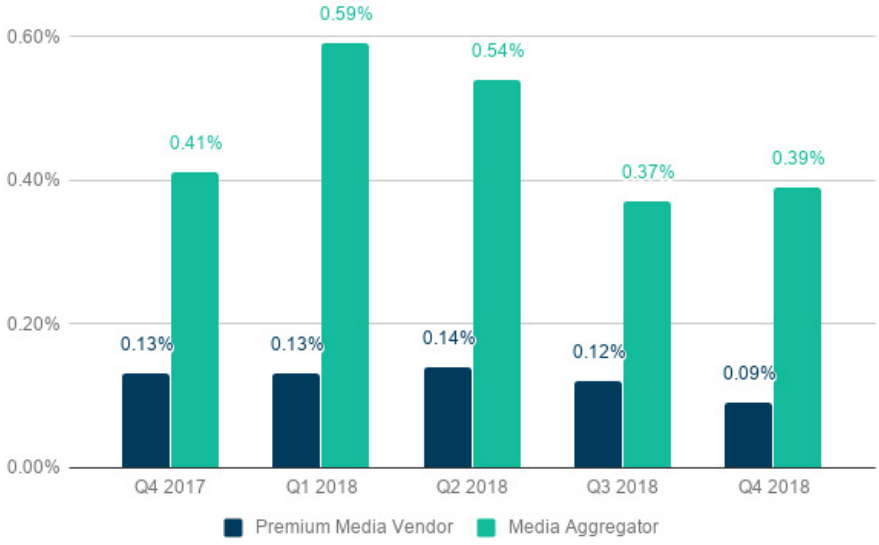
-19%

Year / Year

Q4 2017 / Q4 2018

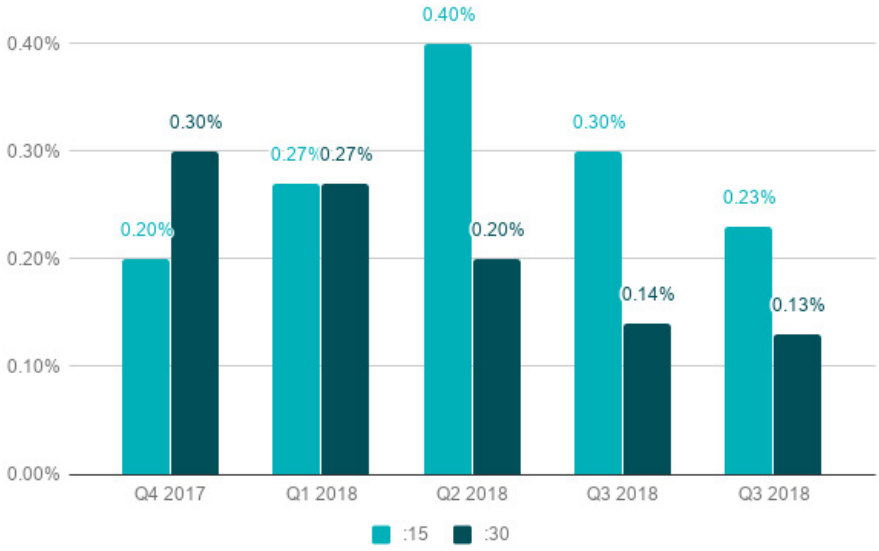
CTR by Media Type

Click-through rates declined for both premium publishers and aggregators in 2018. Premium publishers dropped from .13% in Q4 2017 to .09% in Q4 2018. The decrease was less dramatic for aggregators, moving from .41% in Q4 2017 to .39% in Q4 2018. While those numbers represent decreases of -31% and -5%, bear in mind that the numbers here are very small—all less than 1 percentage point.



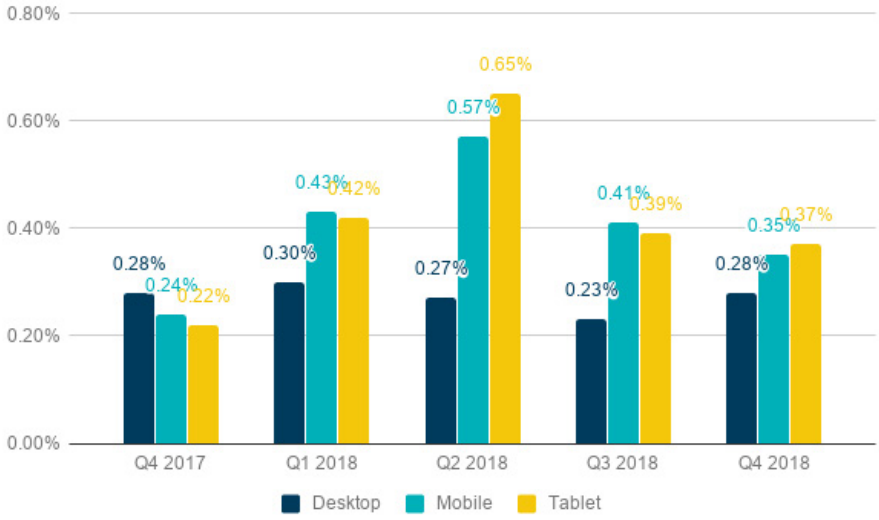
CTR by Ad Length

Last year 30-second ads slightly outperformed 15-second ads in click-through rate, but not in 2018. 15-second ads grew by 15% between Q4 2017 (.20%) and Q4 2018 (.23%), while 30-second spots decreased 57% from .30% to .13% for the same time period. Again, a reminder than these are small numbers, all less that 1%.



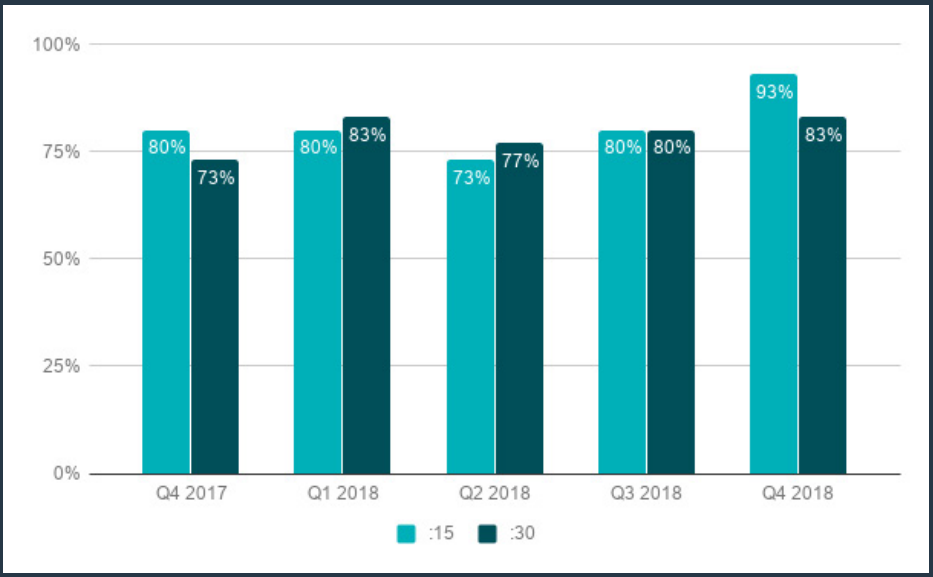
CTR by Device

Click-Through Rates on desktop, mobile and tablet remained relatively consistent through 2018 with the exception of Q2, when both mobile and tablets saw a distinct increase. The rates for all devices fell in Q3 and the year ended with the rate for all three back up to levels the same or above Q4 2017. Overall, Click-Through Rates seem to be declining, which we see as an indication that marketers are more focused on viewer engagement, as measured by Viewable Completion Rate, rather than taking an action to click away from the ad. Despite that general trend, the higher Click-Through Rate seen on both mobile and tablets could reflect the fact that online purchases are primarily made on those devices. Viewers, then, would tend to be in a purchasing mind-set and more inclined to click on a product ad when using their phone or tablet than when on their desktop computer.



Average Percent Time Spent

With 30-second ads earning a greater percentage of impressions, time spent with ads also grew—by 35% year over year, increasing from 17 seconds in Q4 2017, to 23 seconds in Q4 2018.



Average Time Spent by Seconds

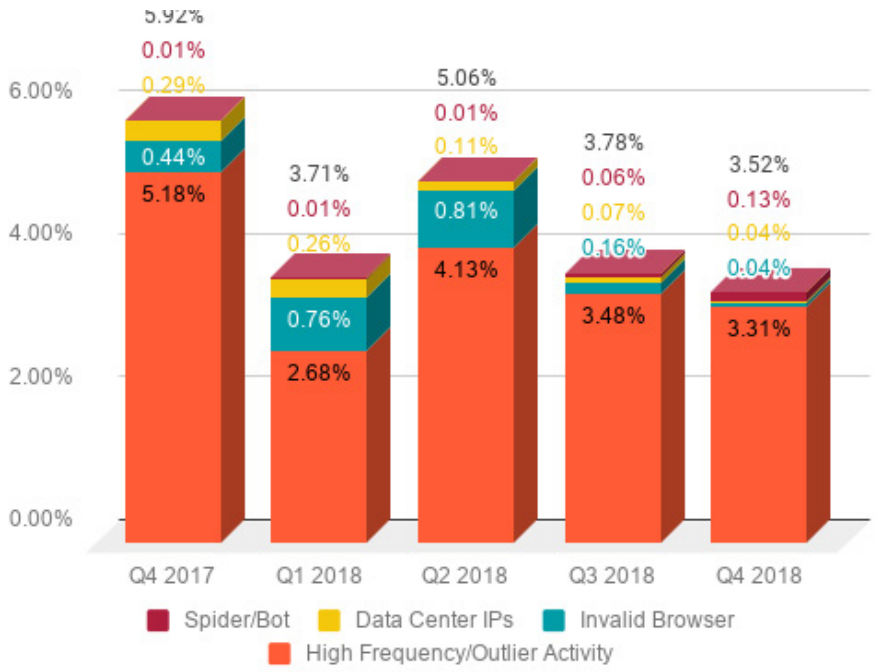
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
:15	:12	:12	:11	:12	:14
:30	:22	:25	:23	:24	:25

General Invalid Traffic (GIVT) Filtered Rate

Percent of Impressions filtered from gross counts

Average GIVT by Reason

The overall rate for General Invalid Traffic in Q4 continued a downward trend versus Q4 of 2017. High Frequency/Outlier Activity remains the leading reason for filtration, while the Invalid Browser rate has declined significantly since spiking in Q2 of 2018. In Q4 of 2018, we saw an uptick in Spider/Bot activity, but it remains very low, at .13%, particularly compared to the 3.35% rate of High Frequency/ Outlier seen in the same quarter.



-7%

Quarter / Quarter

Q3 2018 / Q4 2018

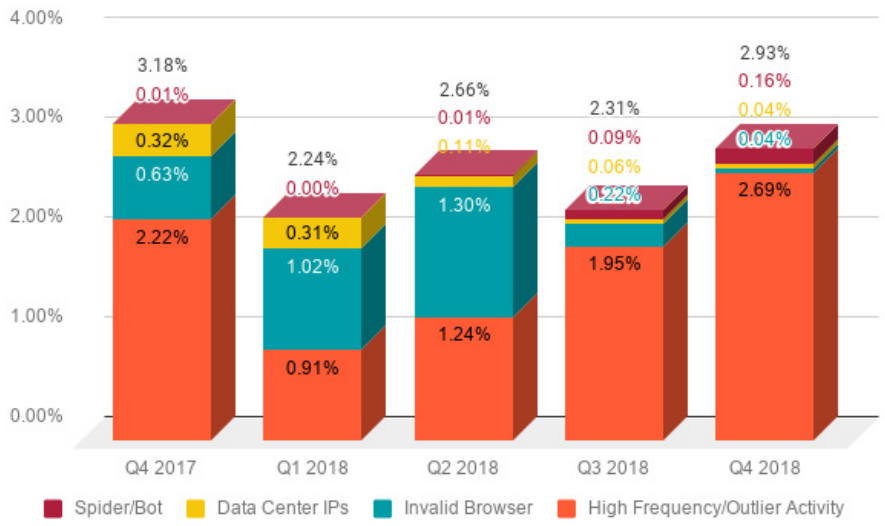
-40.7%

Year / Year

Q4 2017 / Q4 2018

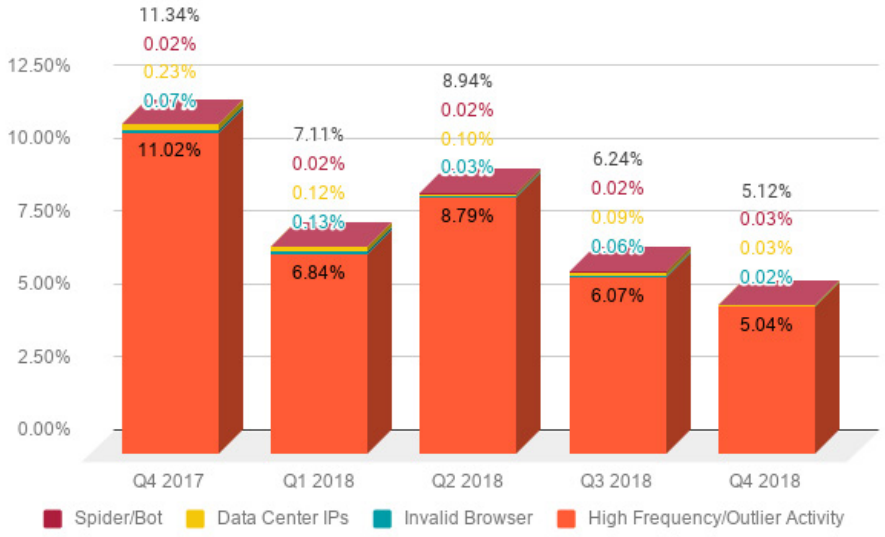
Premium Media Vendor GIVT

The rate of GIVT on premium publisher sites in Q4 2018 was higher than every other quarter of the year, but still slightly below that of Q4 2017, and a very small percentage of overall impressions.



Media Aggregator GIVT

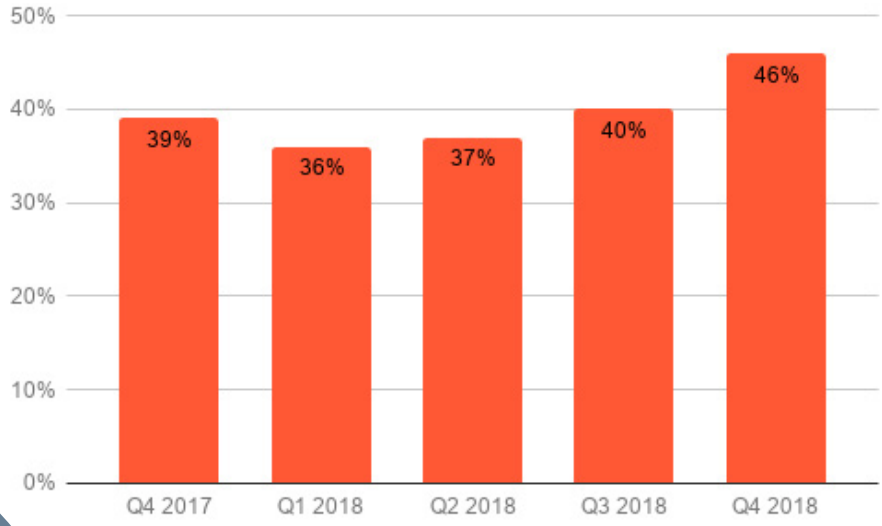
The rate of General Invalid Traffic among media aggregators took a steep decline in Q1 2019, moving from 5% in Q4 2018 to 1.67%. High frequency/outlier activity dominates the reasons for GIVT, with all others being negligible.



Small Player Rate

Small player size rate captures impressions on video players <400x300 wxh in pixels

Average Small Player Rate



+15%

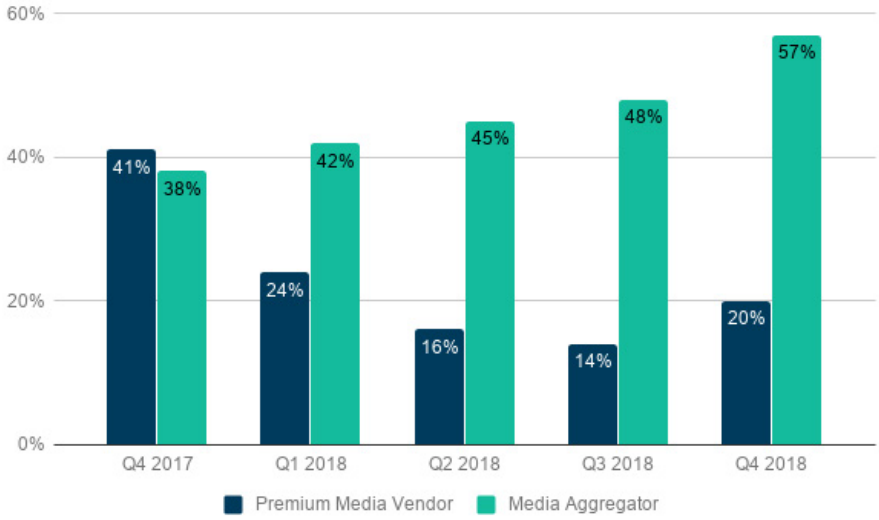
Quarter / Quarter
Q3 2018 / Q4 2018

+18%

Year / Year
Q4 2017 / Q4 2018

Small Player Rate by Media Type

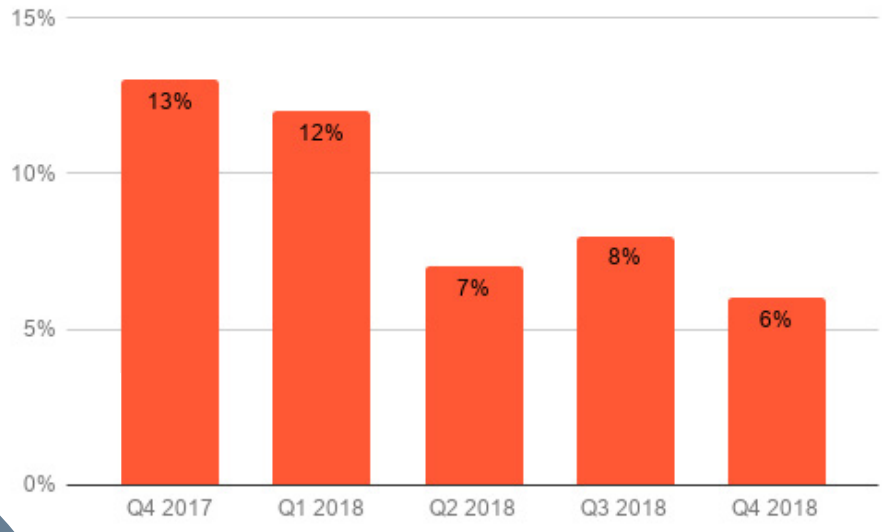
After an anomaly in Q4 of 2017, when small player rates logged 3% higher on premium sites than aggregator sites, things got back to normal this year. Small player rates on premium sites remained much lower than on aggregator sites each quarter—sometimes as by as much as 37 percentage points.



In-Banner Video Rate

In-banner video rate captures impressions on video players
300x250 wxh in pixels

Average In-Banner Video Rate



-25%

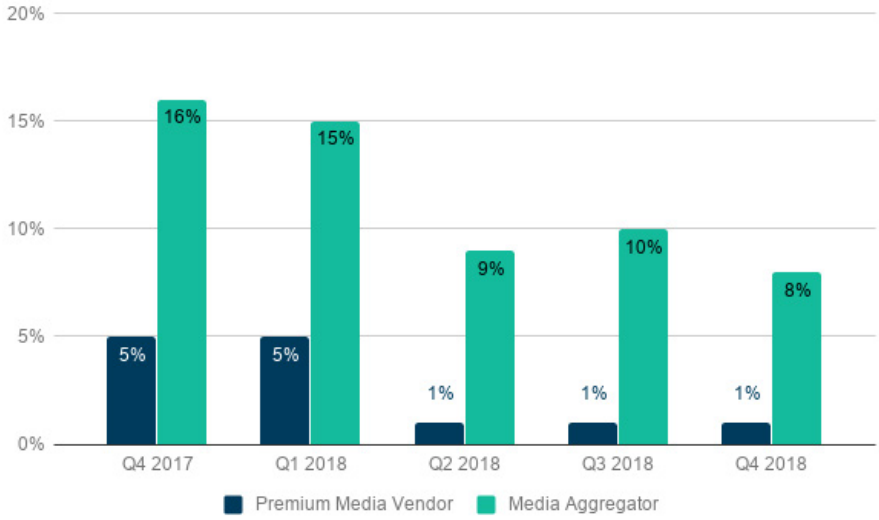
Quarter / Quarter
Q3 2018 / Q4 2018

-53.9%

Year / Year
Q4 2017 / Q4 2018

In-Banner Video Rate by Media Type

In-banner video rates for both premium and aggregator sites continued their declines in 2018, with premium sites down to 1% in Q2 and Q3. As we noted last year, in-banner video is likely on its way out, having run its course due to a focus on larger, more prominent players.

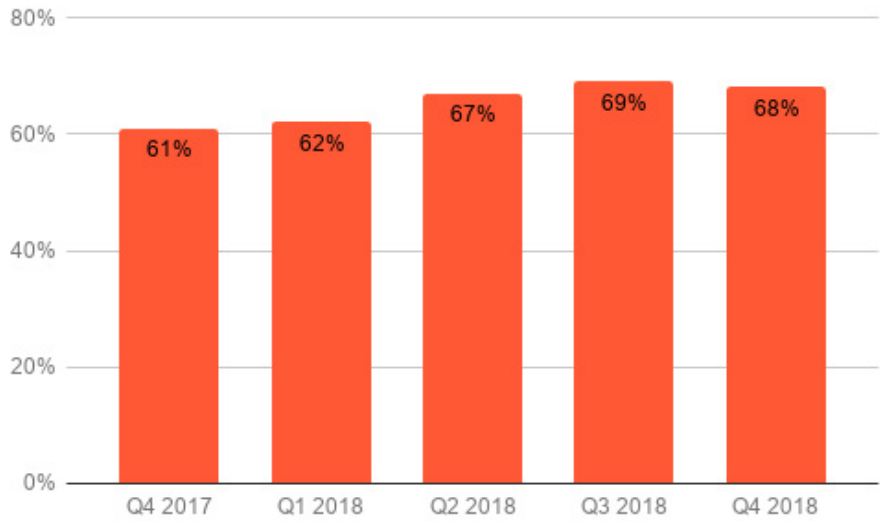


Viewability

Percent of impressions, minimum 50% in view for minimum of 2 consecutive seconds

Average Viewability

High viewability rates remain an important objective for brands and agencies and our metrics show an increase for every quarter in 2018. Viewability increased from 61% in Q4 2017 to 68% in Q4 2018, landing at a full year average of 67%.



-1.5%

Quarter / Quarter

Q3 2018 / Q4 2018

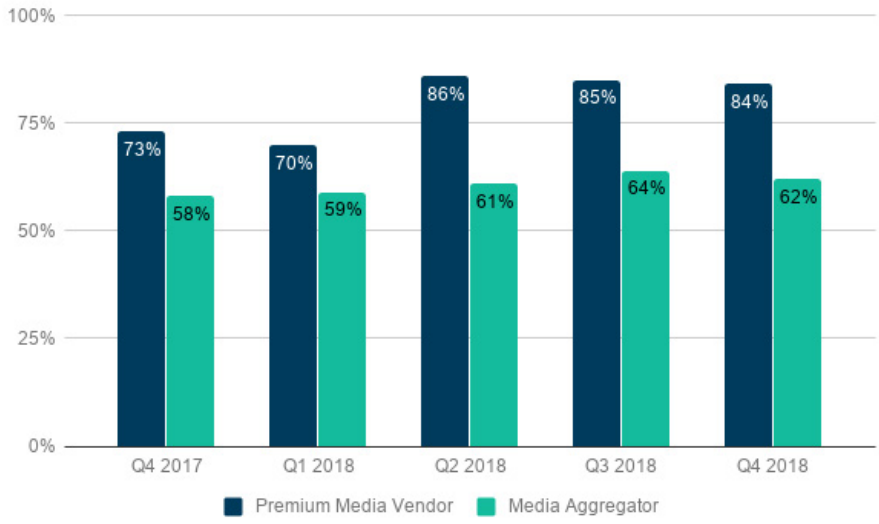
+11.7%

Year / Year

Q4 2017 / Q4 2018

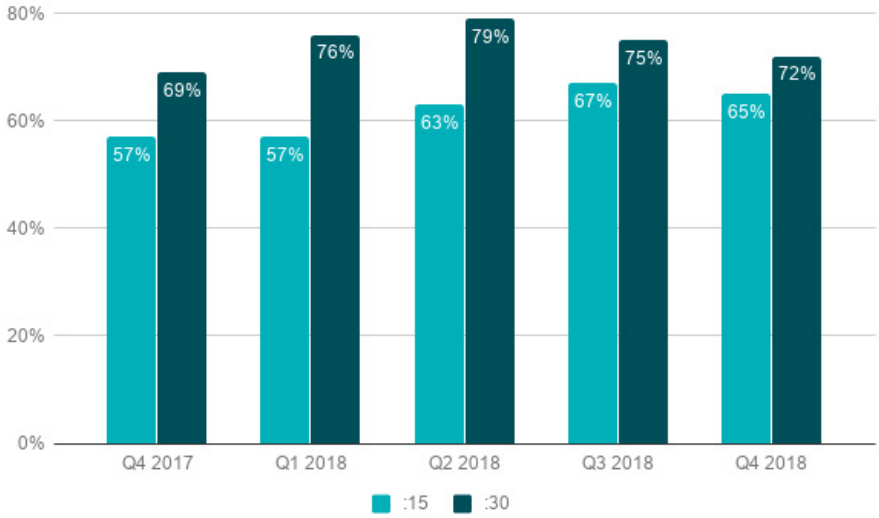
Viewability by Media Type

Viewability is consistently higher on premium publisher sites than on aggregators, usually by a large margin, and this year proved no different than previous years. The viewability on premium sites grew from 73% in Q4 2017 to 84% in Q4 2018. On aggregator sites, the increase was smaller, rising from 58% in Q4 2017 to 62% in Q4 2018.



Viewability by Ad Length

Viewability of 30-second ads consistently earned a higher percentage of impressions than 15-second ads in 2018 and outpaced 2017 quarter by quarter, ending with year-end average numbers of 76% for full year 2018 vs. 65% for full year 2017. Viewability for 15-second spots increased at a slower pace, landing at an average of 63% for full year 2018, up from 57% for full year 2017.



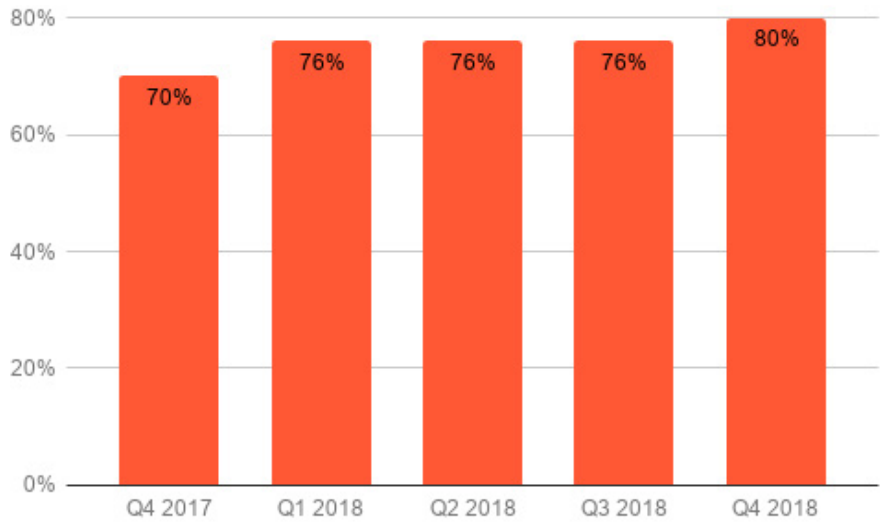
Viewable Completion Rate

Percent of impressions, both viewable and played all the way through.
Viewable Completion Rate is a subset of Viewability.

Average Viewable Completion Rate *

The viewable completion rate remained steady at 76% for the first three quarters of 2018 then saw a nice increase in Q4 to 80%, a significant rise from the 70% rate in Q4 2017.

*Percent of impressions, both viewable and played all the way through. Viewable Completion Rate is a subset of Viewability.



+5.3%

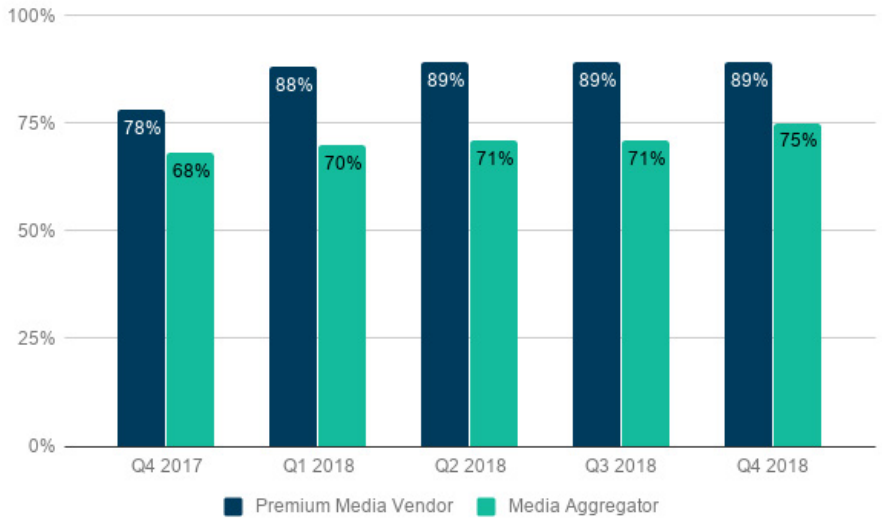
Quarter / Quarter
Q3 2018 / Q4 2018

+10%

Year / Year
Q4 2017 / Q4 2018

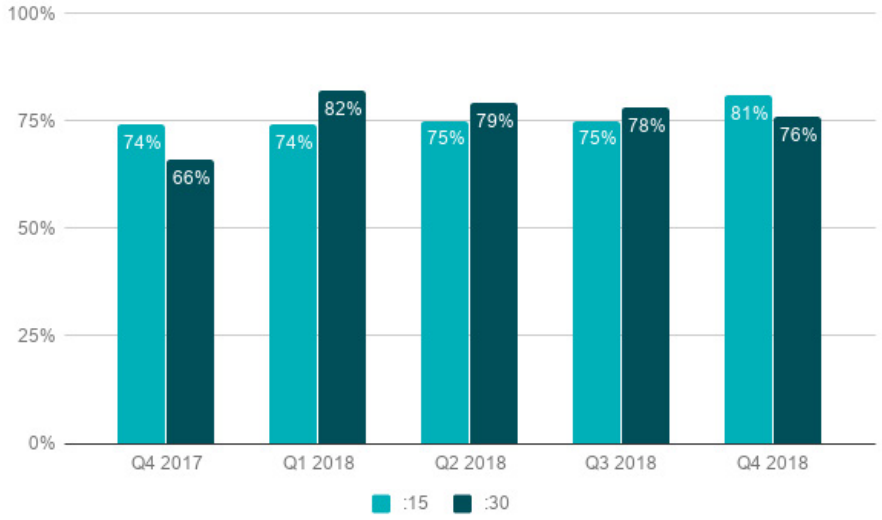
Viewable Completion Rate by Media Type

Viewable completion rate is a subset of viewability, above. In 2018, premium publishers generally held a large lead over media aggregators, especially in Q2 2018 when premium sites hit 86% in viewable completion rate and aggregators fell to 71%. At year end, viewable completion rates for premium publishers reached an average of 89% for full year 2018, while aggregators averaged 72% for the year.



Viewable Completion Rate by Ad Length

In 2017, 15-second ads definitively dominated 30-second ads in viewable completion rate. But in 2018, 30-second ads edged into the lead experiencing higher rates of growth in viewable completion rate than the shorter spots. Between Q4 2017 and Q4 2018, the viewable completion rate for 30-second ads grew by 15% ,whereas the growth rate for 15-second spots was about 9%. Full-year averages for 2018 were similar, with 30-second ads showing an increase in viewable completion rate of 18% vs. 6% for the shorter ads.



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The company proudly serves the best and biggest brands, agencies, production companies, media destinations, performers and rights owners. With over 200,000 registered users and nearly four million creative assets in its care, ER connects the creative flow between the buy and sell sides of the advertising ecosystem.

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