



Market Data / Supplier Selection /
Event Presentations / User Experience
Benchmarking / Best Practice /
Template Files/ Trends and Innovation



SAMPLE: Online Advertisers Survey Report 2011

In association with the Rubicon Project

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>

SAMPLE: Online Advertisers Survey Report 2011



Supported by:



Published September 2011

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher.

Copyright © Econsultancy.com Ltd 2011

Econsultancy London
4th Floor, The Corner
91-93 Farringdon Road
London EC1M 3LN
United Kingdom

Telephone:
+44 (0)20 7269 1450

<http://econsultancy.com>
help@econsultancy.com

Econsultancy New York
41 East 11th St., 11th Floor
New York, NY 10003
United States

Telephone:
+1 212 699 3626

Contents

1. Executive Summary and Highlights	5
2. Foreword by the Rubicon Project	7
3. About Econsultancy	8
4. About the Rubicon Project.....	9
5. Methodology and Sample	10
6. Findings	12
6.1. Online advertising: buying and spending.....	12
6.1.1. Spending trends	12
6.1.2. Publisher rate card prices	15
6.1.3. Budget shifts	17
6.1.4. How display advertising is bought	18
6.1.5. Use of data	20
6.2. Real-time bidding and targeting.....	21
6.2.1. Advantages of real-time bidding	21
6.2.2. Use of targeting	22
6.3. Online advertising networks	25
6.3.1. Number of online advertising networks.....	25
6.3.2. Percentage of media plans including ad networks.....	27
6.3.3. Criteria for rating networks	28
6.3.4. Benefits of working with networks.....	29
6.3.5. Challenges faced when working with networks	30
6.4. Trading desks and demand-side platforms	31
6.4.1. Spending with trading desks	31
6.4.2. Trading desk spend on real-time bidding	32
6.4.3. Number of demand-side platforms	33
6.4.4. Criteria for rating demand-side platforms	35
6.4.5. Benefits of working with demand-side platforms.....	36
6.4.6. Challenges faced when working with demand-side platforms.....	37
7. Appendix: Respondent Profiles	38
7.1. Annual company turnover	38
7.2. Geography.....	39

7.3. Business sector 40



1. Executive Summary and Highlights

This is Econsultancy's second **Online Advertisers Survey Report**, carried out in association with the **Rubicon Project** and based on a survey of 400 advertisers and agencies. The findings are presented globally, with key charts broken down for North America and Europe.

This research is supported by the **AOP, IAB Europe, IAB UK and IAB France**.

The research, which follows a similar survey two years ago, has found that the **environment for online display advertising is buoyant**.

- More than half of advertisers (including agencies) say they have increased spending on *online display advertising* (58%), *paid search marketing* (57%) and the *Google Display Network* (54%) in the last year.
- The fastest growing area of investment is *Facebook advertising*, where almost three-quarters (71%) of respondents say they have increased spending in the last 12 months.
- Just under half of respondents (48%) say that prices on publishers' rate cards have gone up in the past year, compared to only 23% when the same question was asked in 2009. Only 16% of advertisers say that publisher rates have decreased in the past 12 months, down from 39% two years ago during the midst of the global recession.

The research also examines the impact of **real-time bidding** and the increasingly important role played by **online advertising exchanges, demand-side platforms (DSPs) and trading desks**.

- Just under...

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



SAMPLE: Online Advertisers Survey Report 2011

rubicon
PROJECT 5

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher. Copyright © Econsultancy.com Ltd 2011

2. Foreword by the Rubicon Project

In the two years since we last commissioned this research, we've seen tremendous shifts in our industry. First and foremost, display spend is growing year on year at a breakneck pace the world over.

Real Time Bidding (RTB) has moved from the lab and into the mainstream as a display advertising trading mechanic. Demand Side Platforms (DSPs) are expanding internationally and establishing presences outside the US. All the major agency holding companies are building trading desks to manage better their direct response budgets; independent trading desks are also emerging in most major markets.

In order to gain broader insight into the changing dynamics affecting our industry, we commissioned Econsultancy once again to research the global online advertising landscape, this time expanding the research, surveying over 1000 influencers in the US and throughout Europe.

The research confirmed many of the trends that we're seeing through the lens of our own business, predominantly that instead of consolidation, our industry is becoming more fragmented and complex.

In our previous research we found that both publishers and agencies worked with only a few indirect sources of demand and that channel management was relatively simple and crude. The rise of Supply Side Platforms has not only enabled publishers to work safely and efficiently with many more ad networks than could be managed manually, creating upward pricing pressure for their inventory, but the natural pooling of this inventory has also enabled ad networks to more effectively gain access to the inventory they need and facilitated the growth and viability of DSPs.

Our latest research has revealed that while the amount of spend going to RTB and to agency trading desks now represents a substantial proportion of spend, ad networks continue to provide a valuable role in the online advertising ecosystem. In fact, ad networks are taking a larger share of the pie than we saw two years ago, giving agencies the performance, audience and reach that their advertisers demand.

The rise of RTB, however, is opening the door for more interesting future developments in online advertising. Its transparency, combined with granular pricing and priority access controls, is blurring the distinction between publishers' premium and remnant inventory. RTB is a key enabler of programmatic trading, giving publishers, agencies and advertisers greater operational efficiencies for their businesses and driving more budget into online.

Because anything that can be automated, will be.

Jay Stevens
Vice President and General Manager, International
the Rubicon Project

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



SAMPLE: Online Advertisers Survey Report 2011

rubicon
PROJECT 6

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher. Copyright © Econsultancy.com Ltd 2011

3. About Econsultancy

Econsultancy is a [global independent community-based publisher](#), focused on best practice digital marketing and e-commerce, and used by over 240,000 internet professionals every month.

Our hub has 105,000+ members worldwide from clients, agencies and suppliers alike with over 90% member retention rate. We help our members build their internal capabilities via a combination of research reports and how-to guides, training and development, consultancy, face-to-face conferences, forums and professional networking.

For the last ten years, our resources have helped members learn, make better decisions, build business cases, find the best suppliers, accelerate their careers and lead the way in best practice and innovation.

Econsultancy has offices in London, New York and Dubai and we are a leading provider of digital marketing training and consultancy. We are providing consultancy and custom training in the Middle East, and extensively across Europe and Asia. We trained over 3,000 marketers and ran over 200 public training courses in 2010.

[Join Econsultancy](#) today to learn what's happening in digital marketing – and what works.

Call us to find out more on +44 (0)20 7269 1450 (London) or +1 212 699 3626 (New York). You can also [contact us online](#).

Other related Econsultancy reports and content

Online Media Report

<http://econsultancy.com/reports/online-media-report>

Demand-Side Platforms Buyer's Guide

<http://econsultancy.com/reports/dsps-buyers-guide>

Real-Time Bidding (RTB) Ecosystem Map

<http://econsultancy.com/reports/real-time-bidding-ecosystem-map>

Ad Serving Buyer's Guide

<http://econsultancy.com/reports/ad-serving-buyers-guide>

Internet Advertising Statistics

<http://econsultancy.com/reports/internet-advertising-statistics>

Marketing Budgets 2011

<http://econsultancy.com/reports/marketing-budgets>

Display Advertising – Digital Marketing Template Files

<http://econsultancy.com/reports/display-advertising-digital-marketing-template-files>

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



SAMPLE: Online Advertisers Survey Report 2011

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher. Copyright © Econsultancy.com Ltd 2011

4. About the Rubicon Project

The Rubicon Project launched in 2007 with a mission to automate buying and selling across the \$65 billion global online advertising industry. Powered by data-driven algorithms and pricing intelligence data, REVV, the company's yield optimization platform, has optimized nearly two trillion ad transactions for more than 450 of the largest properties on the Internet.

REVV helps premium web publishers like Time Inc., News International and CareerBuilder make more money by optimizing their ad space, eliminating unnecessary ad operations costs and protecting their brands. The platform powers the REVV Marketplace, the world's largest premium display advertising marketplace. More than 650 ad networks, exchanges and DSPs access premium inventory and audiences through the REVV Marketplace and its unparalleled reach of more than 575 million unique users.

Headquartered in Los Angeles, with offices in New York, Seattle, London, Paris, Hamburg and Sydney, the company is backed by \$60 million in funding from Clearstone Venture Partners, Mayfield Fund, IDG Ventures Asia, Comcast Ventures and News Corporation.

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



SAMPLE: Online Advertisers Survey Report 2011

rubicon
PROJECT 8

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher. Copyright © Econsultancy.com Ltd 2011

5. Methodology and Sample

This is Econsultancy's second **Online Advertisers Survey Report**, produced in association with the Rubicon Project and based on our 2011 Online Advertising Survey.

This research, supported by the IAB and AOP, follows a similar piece of research carried out in 2009. The study is based on a survey of almost 1,000 online advertising professionals carried out in August and September 2011.

The breakdown of survey respondents is shown in *Figure 1* below.

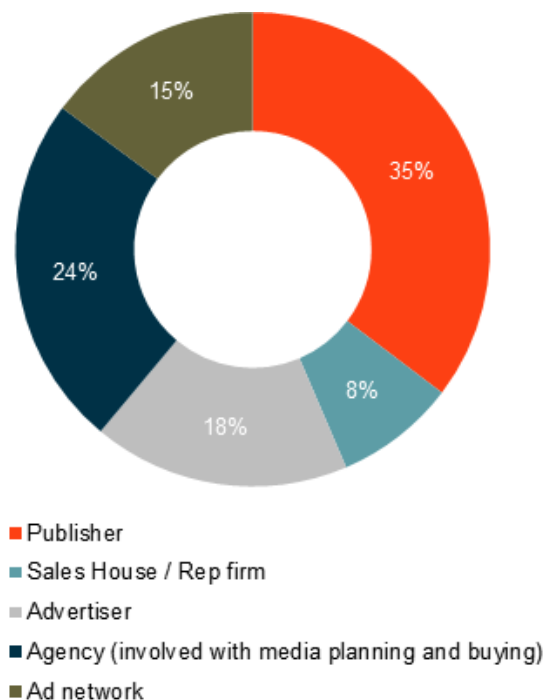
This report is specifically focused on results from more than 400 advertiser and agency respondents. A separate Online Publishers Survey Report (based on the data from nearly 500 online publishers, sales houses and rep firms) will be available on Econsultancy's website from October 2011. This second report will also contain the findings of a shorter survey of online advertising networks.

Information about our 2011 Online Advertising Survey, including the link, was emailed to Econsultancy's user base and promoted online via Twitter, Facebook and LinkedIn.

The **AOP**, **IAB Europe**, **IAB UK** and **IAB France** also publicised the survey to their members. We are grateful to these organizations for supporting this research.

The incentive for taking part was access to a free full copy of both reports just before their publication by Econsultancy.

Figure 1: Which of the following most accurately describes the company you work for?



Respondents: 971

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



The charts in this report are shown for a combined global audience of advertisers (client-side marketers) and agencies, described collectively within this report as advertisers.

The results for most charts are also split out by region, for the United States and Canada (combined) and Europe. The geographical split for respondents is shown in *Figure 29* in the appendix to this report. It can be seen that the UK (44% of advertiser respondents) is the best represented country in the survey, followed by the United States (17%).

If you have any questions about the research, please email Econsultancy's Research Director, Linus Gregoriadis (Linus@econsultancy.com).

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



6. Findings

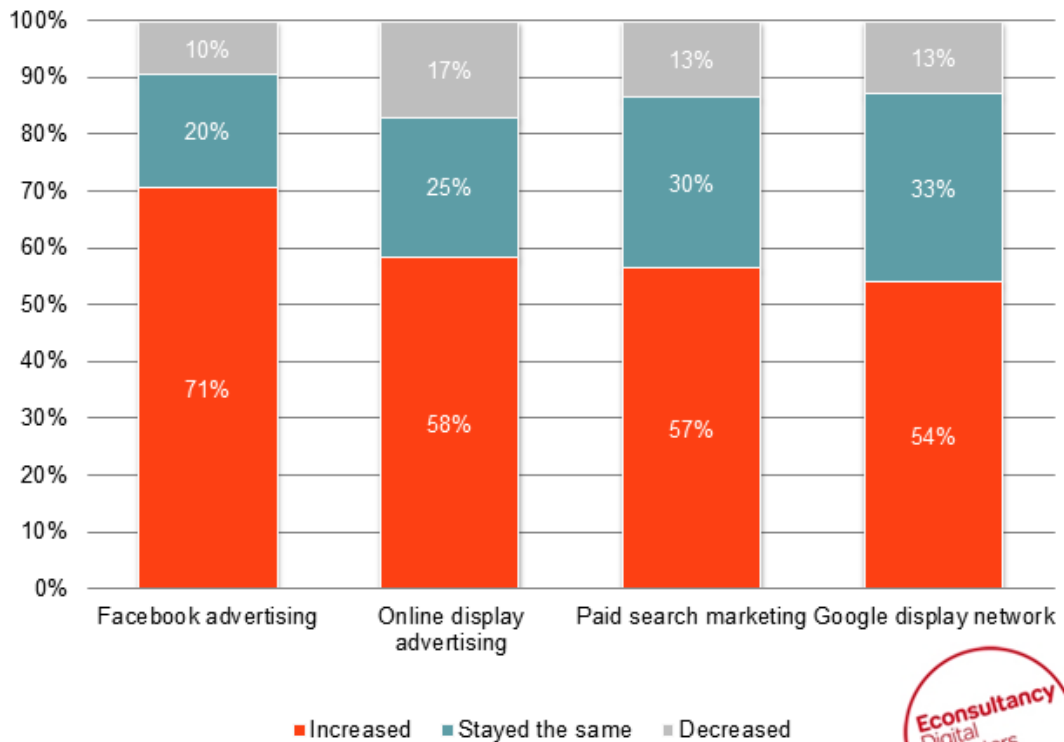
6.1. Online advertising: buying and spending

6.1.1. Spending trends

Figure 2 shows whether spending on particular online advertising channels has gone up or down over the past year. Generally, advertisers are much more likely to have increased (rather than decreased) investment across the board.

The most buoyant area of investment is *Facebook advertising*, where almost three-quarters (71%) of respondents (advertisers and agencies) say they have increased spending in the last 12 months. A further 20% say that investment in the largest social network is the same as a year ago, while 10% are spending less.

Figure 2: Has your spending on the following channels gone up or down in the last year?



Respondents: 333

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



6.1.2. Publisher rate card prices

Figure 5 shows perceptions around whether *prices on publishers' rate cards* have gone up or down in the past year. Just under half of respondents (48%) say that rates have gone up in the past year, compared to an equivalent figure of just 23% when we asked the same question in 2009.

Again, this reflects...

6.1.3. Budget shifts

Figure 7 shows the extent to which advertisers have shifted budgets between channels over the last year. Changes in proportions of budget are a reflection of the desire to extract maximum value from online advertising spending, and the growing use of marketing attribution technology to find the right balance.

Just over a third of advertisers (35%) say they have...

6.1.4. How display advertising is bought

Figure 8 shows the proportion of advertisers using *online advertising networks, sales houses (or rep firms), online ad exchanges* and *demand-side platforms (DSPs)*.

Around two-thirds (63%) of advertisers say they buy from online advertising networks, while...

Table 1: What proportion of your online display spend is made through the following? (Global averages)

	2009	2011
Ad networks	31%	55%
Online advertising exchanges	–	30%
DSPs	–	32%

Respondents: 233

Note: 2011 figures do not add up to 100% because options are not mutually exclusive.

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



6.2. Real-time bidding and targeting

6.2.1. Advantages of real-time bidding

Real-time bidding (RTB) has had a transformational impact on the way that online display advertising is bought because it enables advertisers to target the right kind of individuals dynamically at an impression level.

Figure 10 suggests that the benefits of RTB are not being fully realised, and that awareness about some advantages is still quite limited.

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



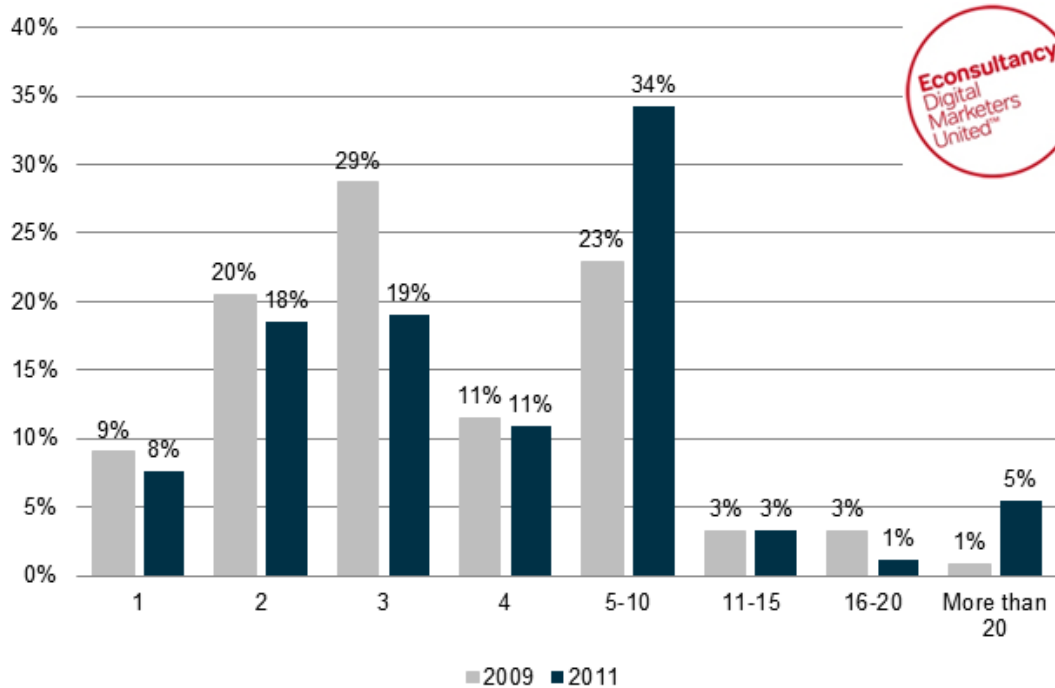
6.3. Online advertising networks

6.3.1. Number of online advertising networks

While the proportion of advertisers using online advertising networks has decreased since 2009 (from 67% to 63%), predictions of the slow death of advertising networks seem to be greatly exaggerated.

It was seen above that, on average...

Figure 3: How many different online ad networks do you buy from?



Respondents 2011: 205
Respondents 2009: 140

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



6.4. Trading desks and demand-side platforms

6.4.1. Spending with trading desks

The chart below shows how much of advertisers' online display advertising budgets goes to trading desks. Nearly four out of five advertisers (79%) spend 50% or less of their display advertising budgets through agency trading desks.

On average, just under a third of online display advertising budget...

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>

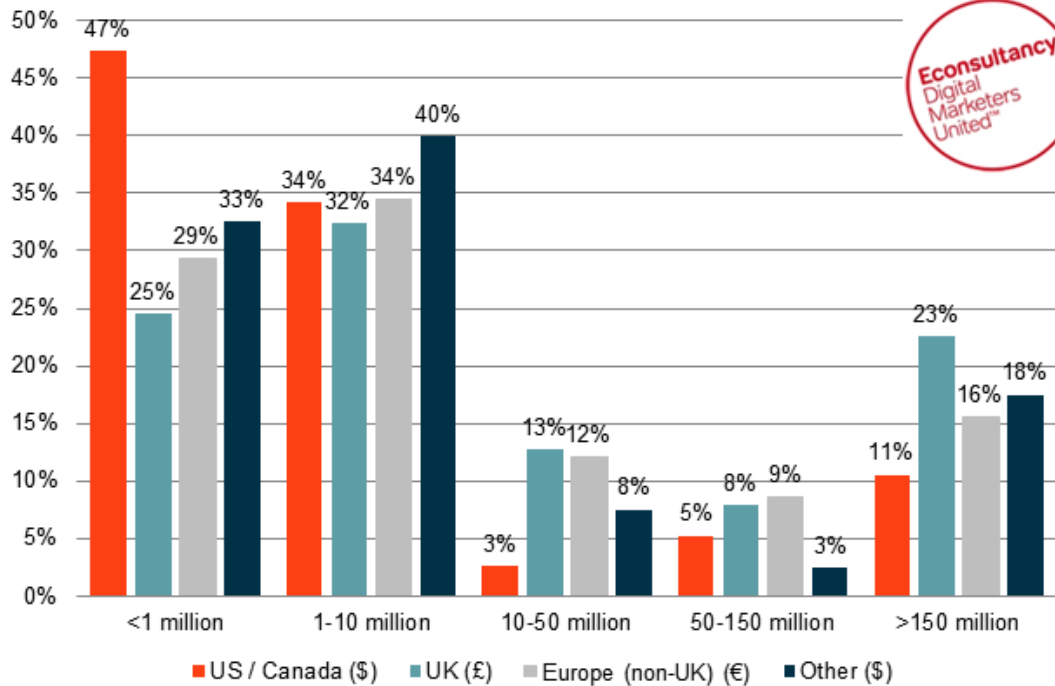


7. Appendix: Respondent Profiles

7.1. Annual company turnover

Figure 28 shows the split of advertiser and agency respondents by size of annual turnover.

Figure 4: What is your annual company turnover?



Respondents: 271

Sample only, please download the full report from:



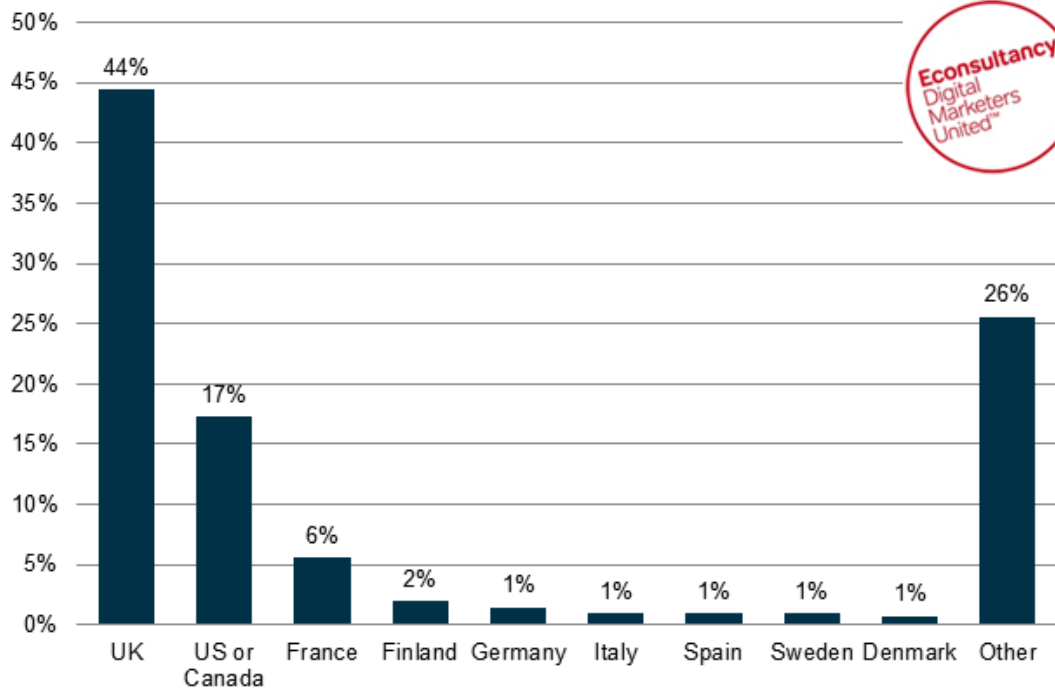
<http://econsultancy.com/reports/online-advertising-survey>



7.2. Geography

Figure 29 shows the geographical split of respondents. Just under half (44%) of respondents are based in the UK and 17% are based in the US or Canada.

Figure 5: In which country/region are you (personally) based?



Respondents: 410

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>



SAMPLE: Online Advertisers Survey Report 2011

rubicon PROJECT 17

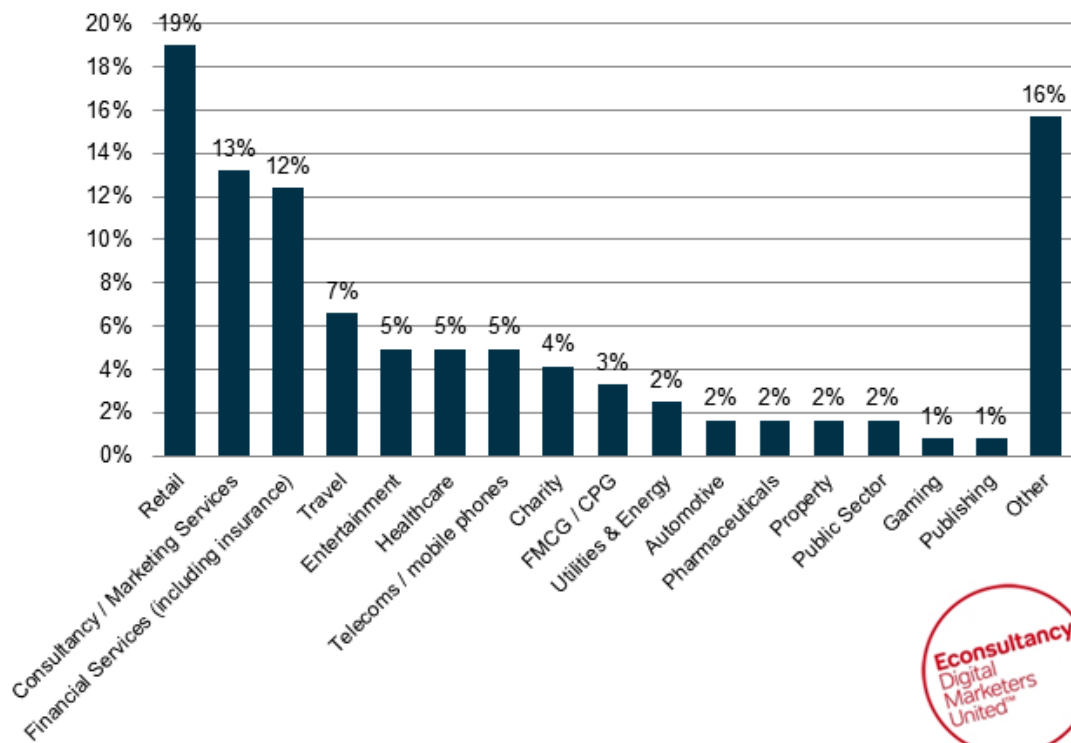
All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording or any information storage and retrieval system, without prior permission in writing from the publisher. Copyright © Econsultancy.com Ltd 2011

7.3. Business sector

This chart shows how the advertisers (excluding agency respondents) are split across different sectors. The most strongly represented sector is *retail* (19%), followed by *consultancy / marketing services* (13%), *financial services (including insurance)* (12%) and *travel* (7%).

Just under a fifth of respondents (16%) specified 'other' as their sector. Other sectors included *education, IT and manufacturing*.

Figure 6: In which business sector is your company?



Respondents: 121

Sample only, please download the full report from:



<http://econsultancy.com/reports/online-advertising-survey>

