Sizmek™

Viewability Benchmarks

Winter 2015

Sizmek Research analyzed viewable data from more than 240 billion measured impressions in 2014 to identify trends about viewability as a newly recognized ad performance metric.

Several clear trends emerged from Sizmek data:
- Ads with a 70%+ viewable threshold had significantly higher performance across all Measured impressions
- Viewable rates increase as advertisers adopt more interactive formats
- HTML5 improved viewable rates more than Flash
- Mobile-specific-sized creative was more viewable than desktop-sized creative
- Ads served direct to publishers increased viewability over ads served via programmatic
- Mobile-specific unit-sized ads were more viewable than desktop for both publisher direct and DSPs/exchanges

While standards and thresholds continue to be debated, including viewability in the conversation moves the industry toward a more transparent marketplace for digital ads. Determining whether an ad is viewable provides a starting point for the conversation and helps the industry make strides toward measuring true engagement.

Viewability: A Starting Point for Measuring Engagement

The Media Rating Council (MRC), an independent body, recently gave the green light to the advertising industry to begin transacting on viewable impressions for the first time. Brands and publishers face a decisive moment in digital media measurement as the American Association of Advertising Agencies (4As), the Association of National Advertisers (ANA), and the Interactive Advertising Bureau (IAB) take steps toward changing the definition of ad performance metrics.

As an established ad management company, Sizmek wants to help further the viewability discussion so that transacting on viewability works for all parties—buyers, sellers, and vendors. To that end, Sizmek Research analyzed viewable data from more than 240 billion measured impressions in 2014 to identify trends that could shed light on viewability as a newly recognized ad performance metric.

240 BILLION measured impressions

In an effort to spur and standardize the industry, the Interactive Advertising Bureau (IAB) released a State of Viewability Transaction 2015. In it they recommend using a campaign threshold of 70%, meaning that of all measured impressions (those that could be measured by a vendors tools) 70% of those campaigns impressions must meet the minimum standard viewability definition of 50% of the ad in view for at least 1 second.

After analyzing the data, Sizmek Research found the IAB's 70% threshold to be a reliable indicator of performance. Click-through and interaction rates for ads with measured impressions at an average viewable threshold of 70% or more are significantly higher than ads with a viewable threshold of less than 70%. In addition, several factors can influence viewability and push ads to be seen, including but not limited to serving to the publisher directly, choosing mobile friendly HTML5 formats and creative sizes specific to mobile devices.

Methodology

Sizmek is the only Media Rating Council (MRC) accredited viewability vendor that is also accredited for serving digital ads (display, rich media, and video impressions) and measuring unique reach and average frequency of campaigns. All data analyzed in this report were MRC-accredited.

Sizmek Research analyzed viewable data from more than 240 billion measured impressions from more than 840,000 ads and 120,000 campaigns served in 74 countries and six continents to more than 22,000 publishers and 43 programmatic partners from January 1 to December 31, 2014.

Sizmek Research designated a measured impression as one where Sizmek's viewability script successfully recorded data on the page when the ad was served. For a measured impression to be considered viewable, we used the IAB standard of 50% of the ad rendered on a user's screen for one second or more.

74 Countries

6 Continents

Finding 1: Ads with a 70%+ Viewable Threshold Had Significantly Higher Performance Across All Measured Impressions

If an impression isn't seen, it has no value to advertisers or publishers, which is demonstrated when viewability's impact on engagement metrics is considered.
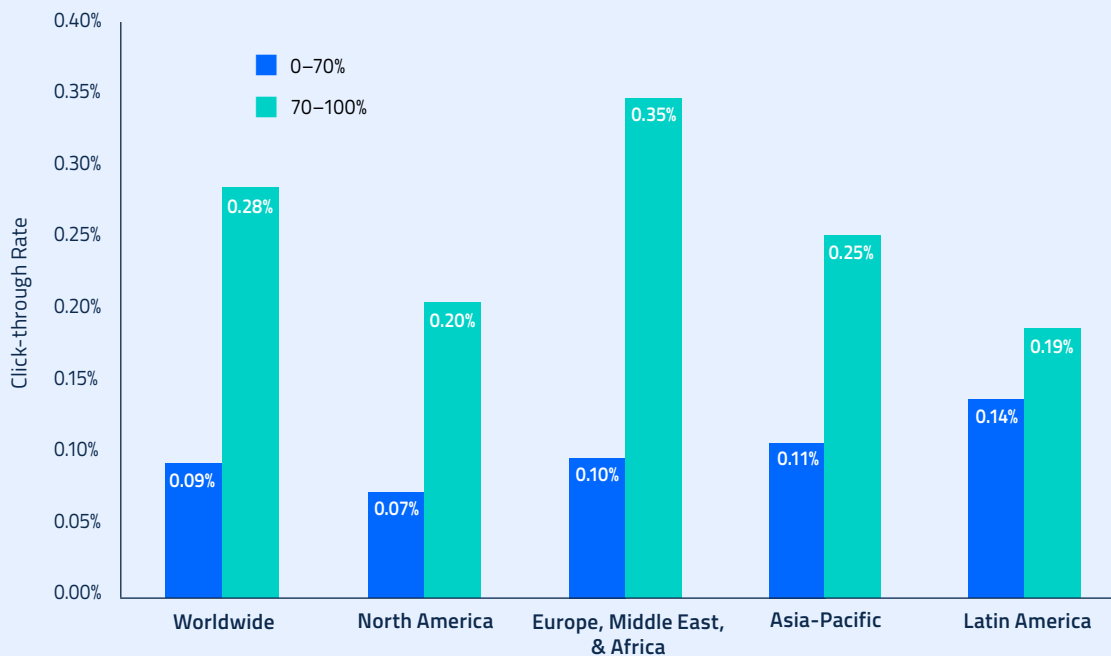
To measure this impact, Sizmek Research grouped ads as either higher or lower than the IAB's recommended 70% viewable threshold (per their December announcement.)

We found that ads that met the average viewability threshold of 70% or higher across all measured impressions performed significantly better than ads that did not meet the threshold in two of the most common engagement metrics, click-through rate (CTR) and interaction rates (ITR).
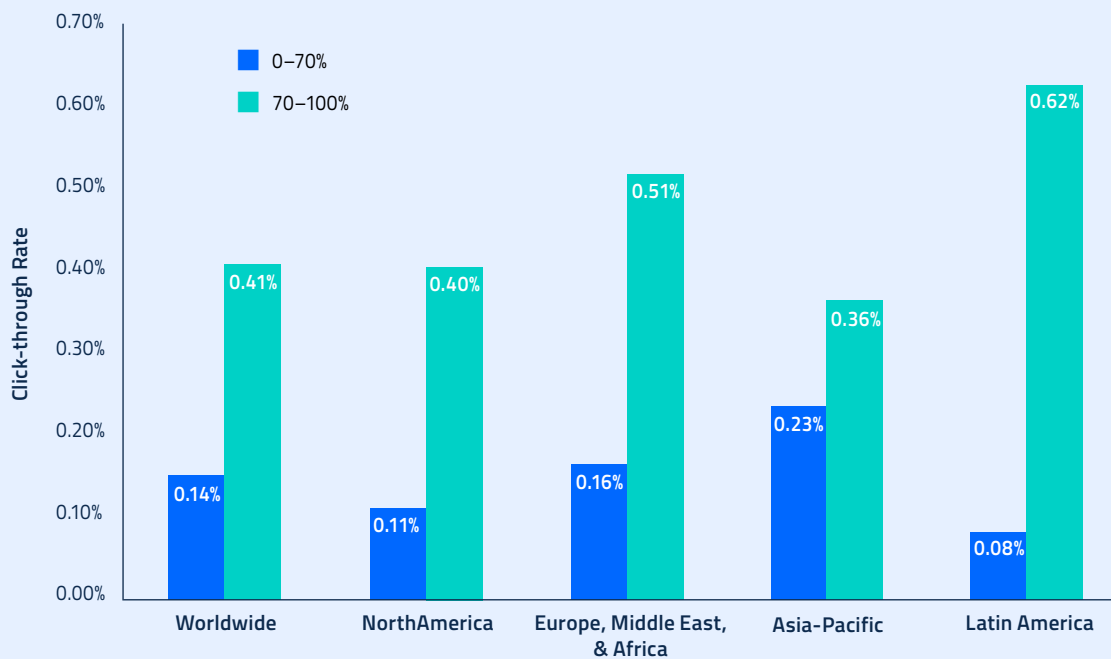
Flash and HTML5 Standard Banners

CTR for standard banners with an average viewability threshold of 70% to 100% (0.28%) were three times that of ads with an average viewability threshold of below 70% (0.09%). We saw the same trend for HTML5 standard banners, where ads with measured impressions at an average viewable threshold of 70% or higher had a CTR of 0.41%.

## Flash Standard Banners Click-Through Rate by Region and Viewable Groups (2014)

Click-through Rate

Legend:
- ■ 0–70%
- ■ 70–100%

Region	0–70%	70–100%
Worldwide	0.09%	0.28%
North America	0.07%	0.20%
Europe, Middle East, & Africa	0.10%	0.35%
Asia-Pacific	0.11%	0.25%
Latin America	0.14%	0.19%

HTML5 Standard Banners Click-Through Rate by Region and Viewable Groups (2014)

Click-through Rate

Legend:
- ■ 0–70%
- ■ 70–100%

| Region	0–70%	70–100%
Worldwide	0.14%	0.41%
NorthAmerica	0.11%	0.40%
Europe, Middle East, & Africa	0.16%	0.51%
Asia-Pacific	0.23%	0.36%
Latin America	0.08%	0.62%

Flash Rich Media

For Flash rich media, global CTR for ads with measured impressions of more than a 70% viewability threshold was more than twice as high as those under 70% at 0.37% and 0.18%, respectively. This was most pronounced in North America, where at 0.31%, ads with viewability thresholds higher than 70% were almost three times those below, at 0.11%. Interaction rates followed the same trend, with those ads above 70% at 3.81% and ads under at 2.12%.

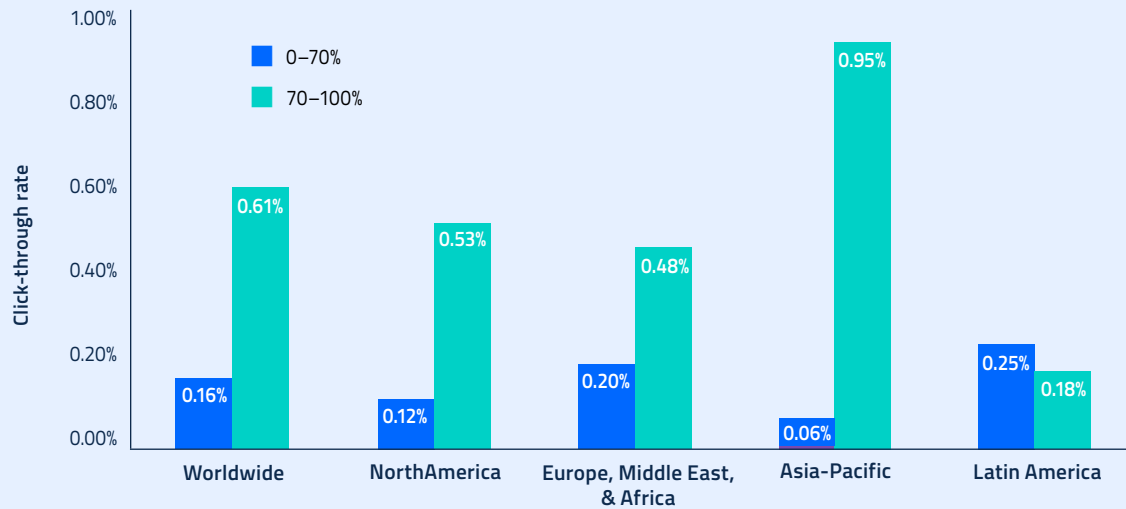### Flash Rich Media Click-through Rate by Region and Viewable Groups (2014)
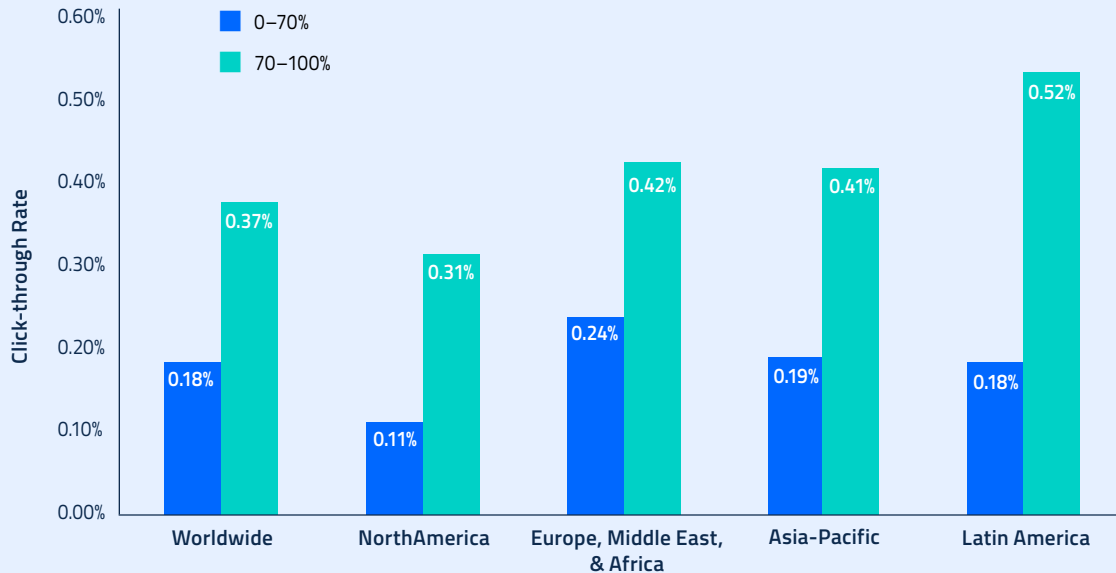
### Flash Rich Media Interaction Rate by Region and Viewable Groups (2014)
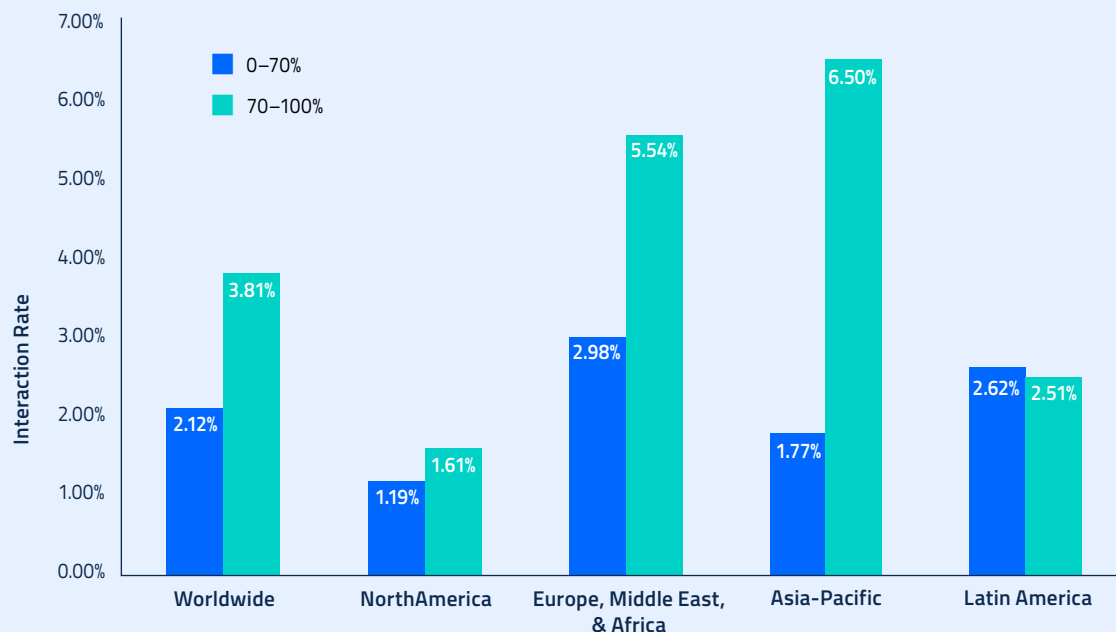
HTML5 Rich Media

For HTML5 rich media, improvement in CTR was even more dramatic. Worldwide, CTR for ads with measured impressions at 70% or higher viewability threshold was almost four times that of ads that didn't meet the threshold, at 0.61% and 0.16%, respectively. The same was true for interaction rates, at 4.19% for ads above the 70% threshold versus 0.96% below. Both trends were most pronounced in Asia-Pacific.

HTML5 Rich Media Click-through Rate by Region and Viewable Groups (2014)

HTML5 Rich Media Interaction Rate by Region and Viewable Groups (2014)
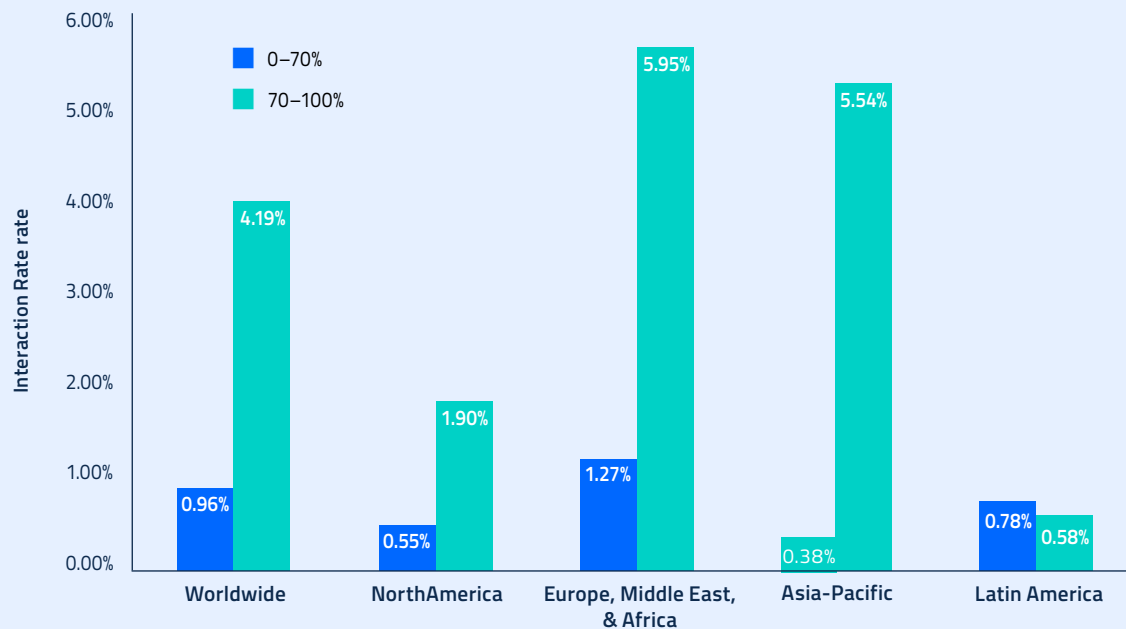
Finding 2: Viewable Rates Increase as Advertisers Adopt More Interactive Formats

Across the board, Flash rich media ads were 18% more likely to be seen than standard banners. This was most pronounced in North America, where rich media was 29% more likely to be seen than standard banners. This divide isn't particularly surprising. Rich media units are often premium placements that are above the fold or persistent on a user's screen, whereas standard banners often reside along the rail or below the fold.

Viewable Rates by Flash Format, by Region (Jan–Dec 2014)

	Flash Standard Banners	Flash Rich Media	% Change
Asia-Pacific	52.9%	61.3%	15.8%
Europe, Middle East & Africa	52.3%	56.6%	8.3%
Latin America	48.3%	54.2%	12.2%
North America	48.8%	63.0%	29.2%
Worldwide	**50.8%**	**59.7%**	**17.5%**

Source: Sizmek Research, December 2014; data is from campaigns where Sizmek viewability was enanabled and only includes countries with at least 10 million impressions from January–December 2014.

Finding 3: HTML5 Improved Viewable Rates More Than Flash

When Sizmek Research segmented out HTML5 from Flash ads, HTML5 standard banners were 25% more viewable than their Flash-based counterparts. This was most pronounced in Asia-Pacific (39%) and Latin America (47%), where high rates of mobile internet users drive more advertisers to take advantage of the cross-screen capabilities of HTML5.

## Standard Banner Viewable Rates by Format and Region (Jan–Dec 2014)

	Flash Standard Banners	HTML5 Standard Banners	% Change
Asia-Pacific	52.9%	73.4%	38.8%
Europe, Middle East & Africa	52.3%	57.1%	9.1%
Latin America	48.3%	71.0%	47.0%
North America	48.8%	56.0%	14.9%
Grand Total	**50.8%**	**63.3%**	**24.7%**

Source: Sizmek Research, December 2014; data is from campaigns where Sizmek viewability was enanabled and only includes countries with at least 10 million impressions from January–December 2014.

In general, HTML5 resulted in higher viewable rates than Flash in both rich media and standard banners across numerous unit sizes.

Worldwide Viewable Rates by Format and Unit Size (Jan–Dec 2014)

	300x250	728x90	160x600	300x600	970x250	320x50
■ HTML5 Rich Media	51.4%	45.8%	46.3%	58.3%	61.7%	74.6%
■ HTML5 Standard Banners	45.8%	49.6%	48.8%	60.8%	56.6%	79.9%
■ Flash Rich Media	58.3%	52.3%	57.8%	64.9%	71.0%	65.7%
■ Flash Standard Banners	50.9%	46.7%	55.2%	56.5%	58.5%	69.8%
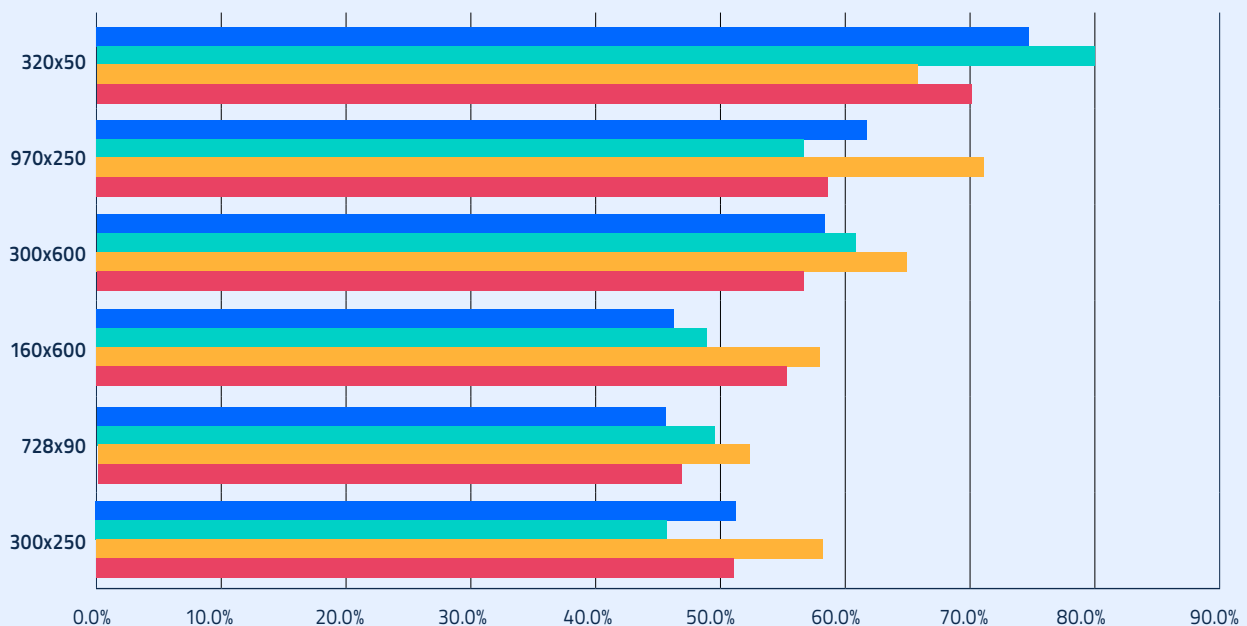
Finding 4: Mobile-specific-sized Creative Was More Viewable Than Desktop-Sized Creative

Viewable rates, when examined by device specific unit sizes, show that mobile was generally more viewable than desktop sizes.

Worldwide Viewable Rates by Device*and Format (Jan–Dec 2014)
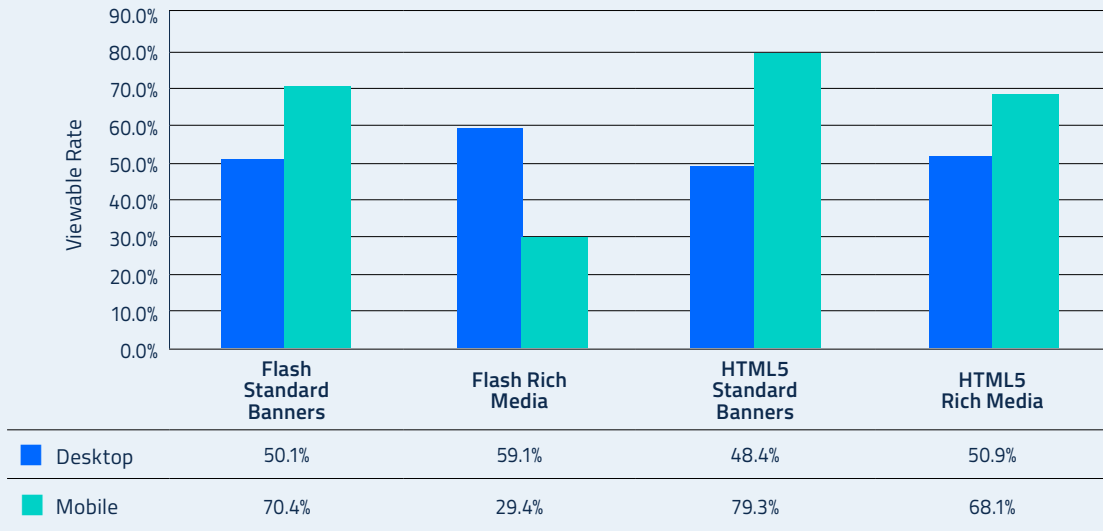
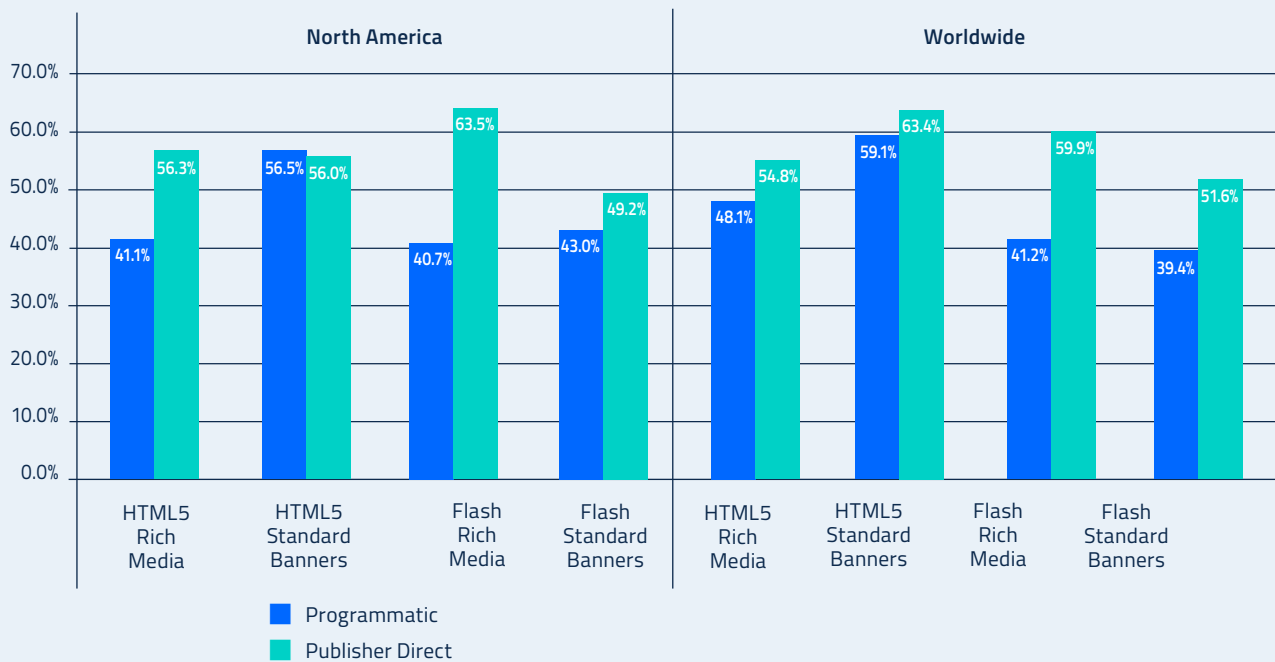|	Flash Standard Banners	Flash Rich Media	HTML5 Standard Banners	HTML5 Rich Media
■ Desktop	50.1%	59.1%	48.4%	50.9%
■ Mobile	70.4%	29.4%	79.3%	68.1%

*Refers to unit sizes specific to a device: Desktop (300x250, 728x90, 950x270, 160x600, 300x600) and mobile (320x50, 320x60, 300x50, 320x100)

Finding 5: Ads Served Direct to Publishers Increased Viewability More Than Ads Served Via Programmatic

When Sizmek Research segmented publisher partners into publishers and programmatic channels, we found that serving ads direct to publishers increased average viewable rates worldwide. This was most pronounced in North America, where serving Flash rich media direct to publishers resulted in a 22-point jump in viewable rates, while HTML5 rich media jumped 15 percentage points.

Viewable Rates by Region, Buy Channel and Format (Jan–Dec 2014)

North America

Format	Programmatic	Publisher Direct
HTML5 Rich Media	41.1%	56.3%
HTML5 Standard Banners	56.5%	56.0%
Flash Rich Media	40.7%	63.5%
Flash Standard Banners	43.0%	49.2%

Worldwide

Format	Programmatic	Publisher Direct
HTML5 Rich Media	48.1%	54.8%
HTML5 Standard Banners	59.1%	63.4%
Flash Rich Media	41.2%	59.9%
Flash Standard Banners	39.4%	51.6%

Legend: ■ Programmatic ■ Publisher Direct

Finding 6: Mobile-specific Unit-sized Ads Were More Viewable Than Desktop for Both Publisher Direct and Programmatic

Despite programmatic's lower overall viewability, mobile-specific unit sizes were higher than their desktop counterparts.

Viewable Rate by Region, Buy Channel and Device* (Jan–Dec 2014)
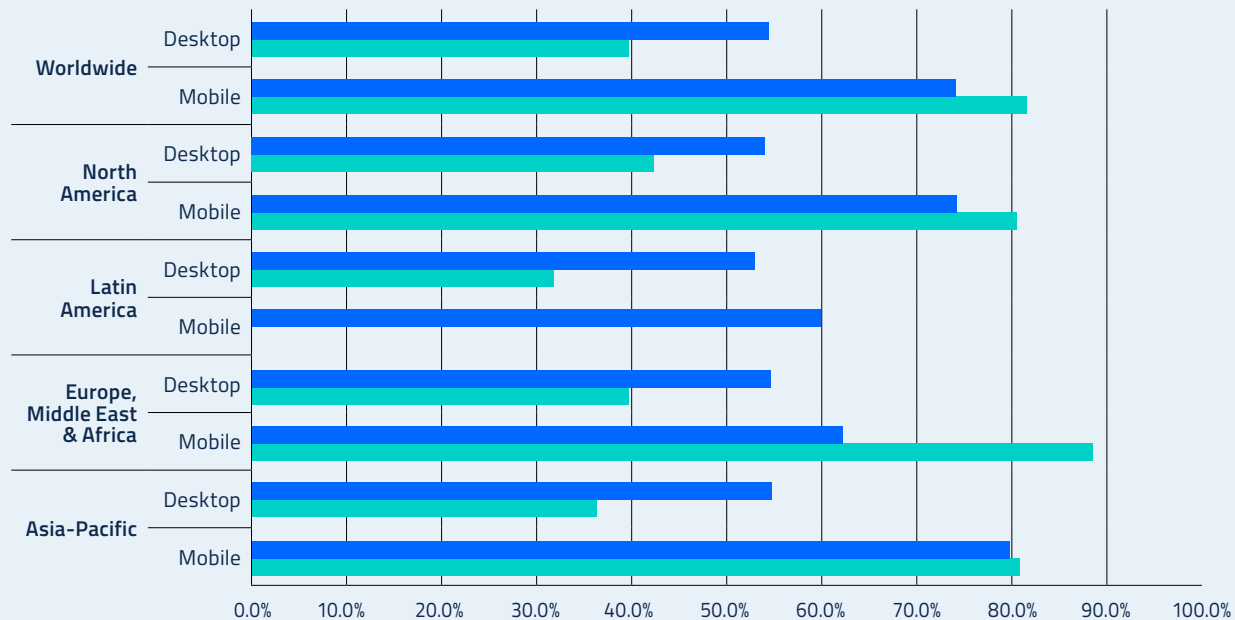
	Asia-Pacific		Europe, Middle East & Africa		Latin America		North America		Worldwide	
	Mobile	Desktop	Mobile	Desktop	Mobile	Desktop	Mobile	Desktop	Mobile	Desktop
■ Publisher Direct	79.7%	54.7%	62.2%	54.7%	60.0%	53.0%	74.0%	54.1%	74.1%	54.4%
■ Programmatic	80.8%	36.3%	88.4%	39.8%	0.0%	31.8%	80.4%	42.3%	81.4%	39.7%

*Refers to unit sizes specific to a device: Desktop (300x250, 728x90, 950x270, 160x600, 300x600) and mobile (320x50, 320x60, 300x50, 320x100)

Viewabilty: An Influential Step Toward a New Ad Performance Metric

Determining ad effectiveness is a complex process. Sizmek Benchmarks: Viewability Winter 2015 shows that a number of factors contribute to viewability, including serving ads direct to publisher, choosing mobile friendly HTML5 formats, and using creative sized specifically for mobile devices. As the investigation moves forward toward determining a reliable ad performance metric, Sizmek Research will work closely to align its research to guidelines from the IAB, 4As, and ANA. The only way to get a true picture of how viewability impacts performance is to analyze it in combination with other metrics—engagement, dwell, media cost, gross ratings points, attributed conversions, and much more. Viewability provides a revealing starting point for us all.

For more viewability data and benchmarks broken out by region, country, format, and device, please download the Sizmek Viewability 2014 Appendix here or email marketingresearch@sizmek.com.

Ad Unit