

INMOBI

MOBILE
PROGRAMMATIC
ADVERTISING
TRENDS



2018

TABLE OF CONTENTS

1

WHAT IS THE CURRENT STATE OF **PROGRAMMATIC** MOBILE ADVERTISING?

2

CALCULATING THE WIDESPREAD GROWTH OF MOBILE **PROGRAMMATIC**

3

PROGRAMMATIC VIDEO AD SPENDING GROWING RAPIDLY

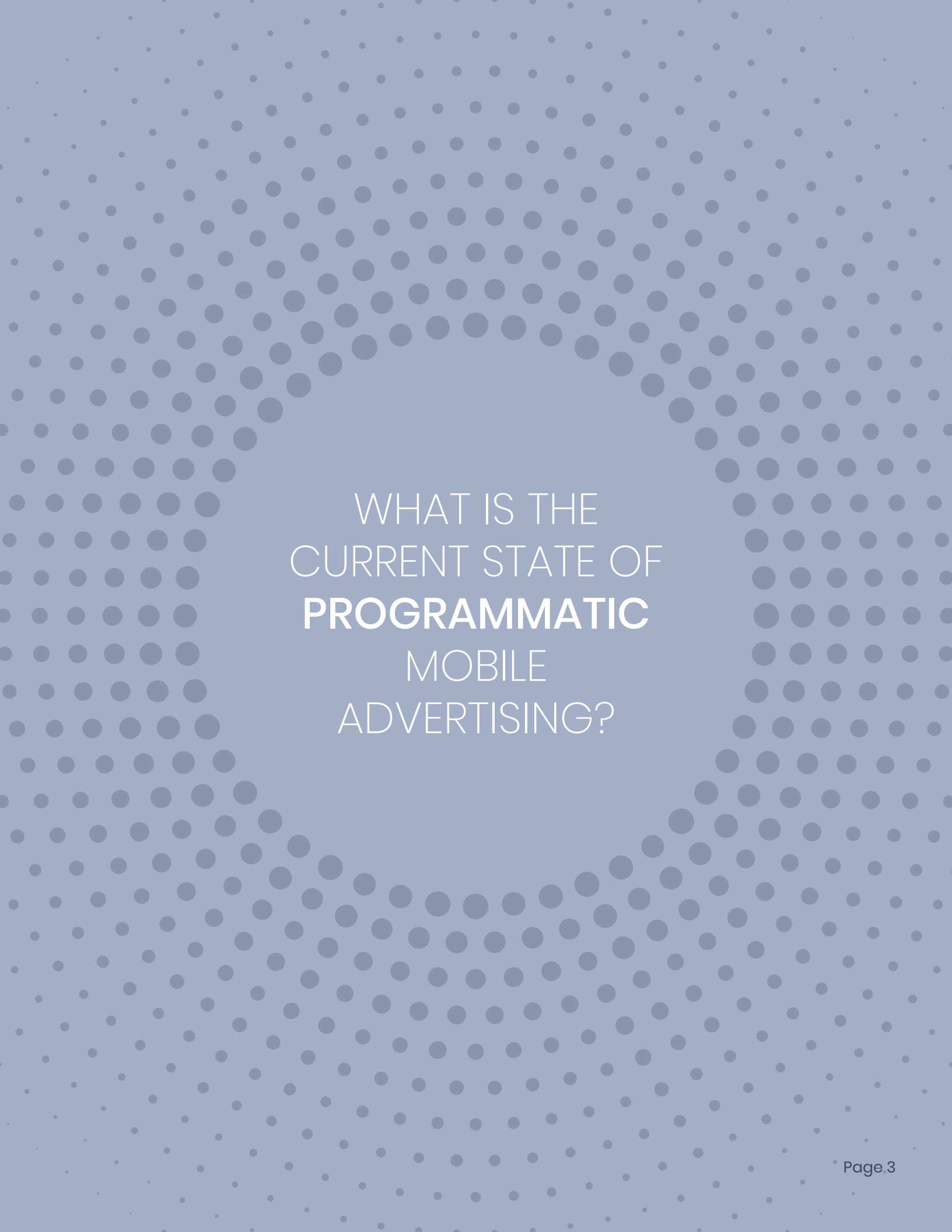
4

NORTH AMERICA LEADS THE **PROGRAMMATIC** PACK

5

WHO IS BUYING **PROGRAMMATICALLY**?

2018



WHAT IS THE
CURRENT STATE OF
PROGRAMMATIC
MOBILE
ADVERTISING?

In digital advertising, few trends are as disruptive as programmatic buying. By automating much of the buying and selling process, and by introducing real-time pricing and monitoring, programmatic promises to dramatically improve and streamline just about all elements of digital ad buying.

But, when it comes to mobile in-app advertising, **what effect is programmatic having?**

Are mobile advertisers, app publishers and their partners using or scoring programmatic?

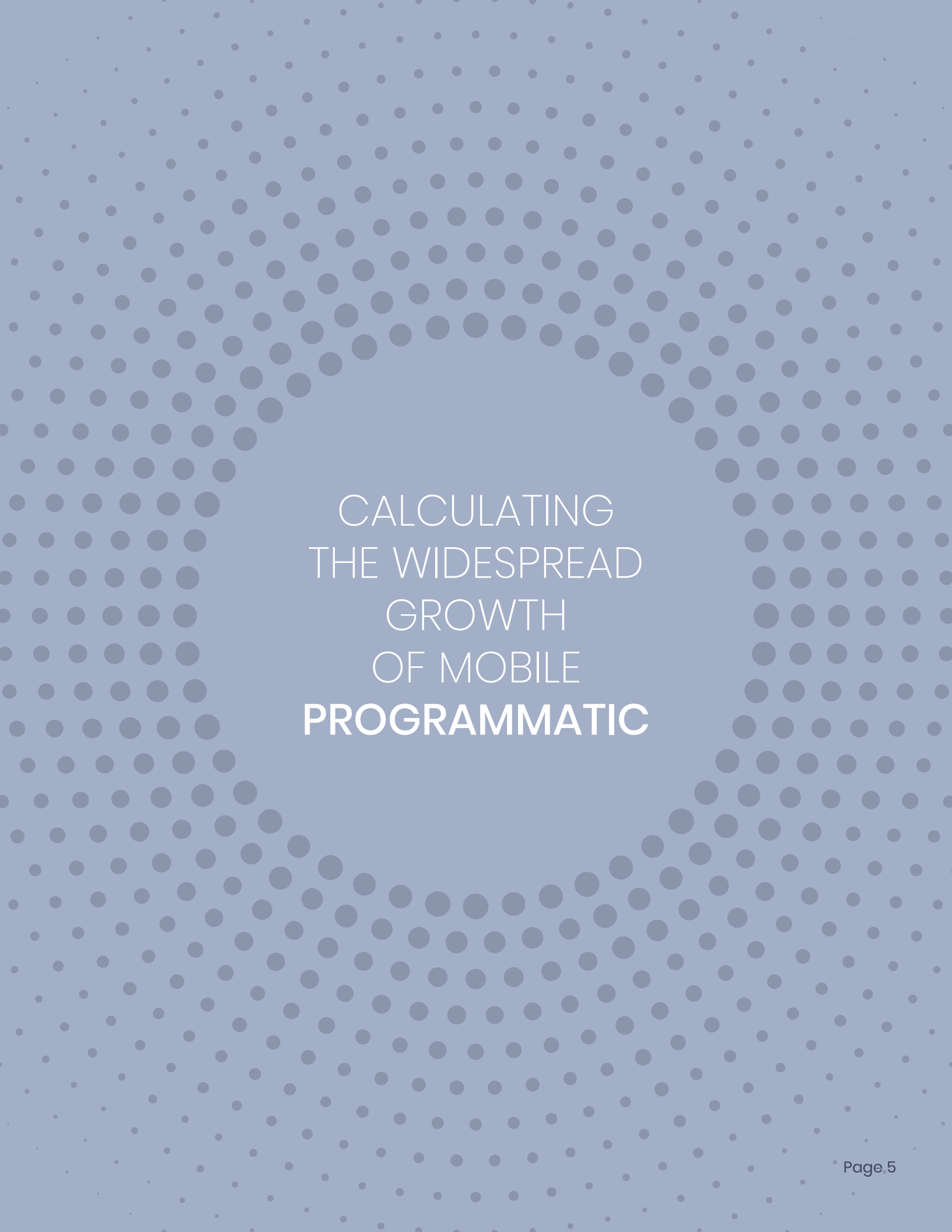
To answer these questions, we reviewed data on billions of transactions that have occurred on our exchange since the beginning of 2017. As a global business that serves up to 7.3 billion ad requests each day across more than 1.5 billion mobile users around the world each month, we are in a unique position to see how programmatic is growing and evolving across the globe.

RESEARCH METHODOLOGY

Presented here is a study of both buying and selling behaviors on the InMobi Exchange.

Unless stated otherwise, comparisons are looking at the first six months of 2018 compared to the first six months of 2017. In January 2018, InMobi expanded the reach and scope of the InMobi Exchange through its purchase of AerServ.





CALCULATING
THE WIDESPREAD
GROWTH
OF MOBILE
PROGRAMMATIC

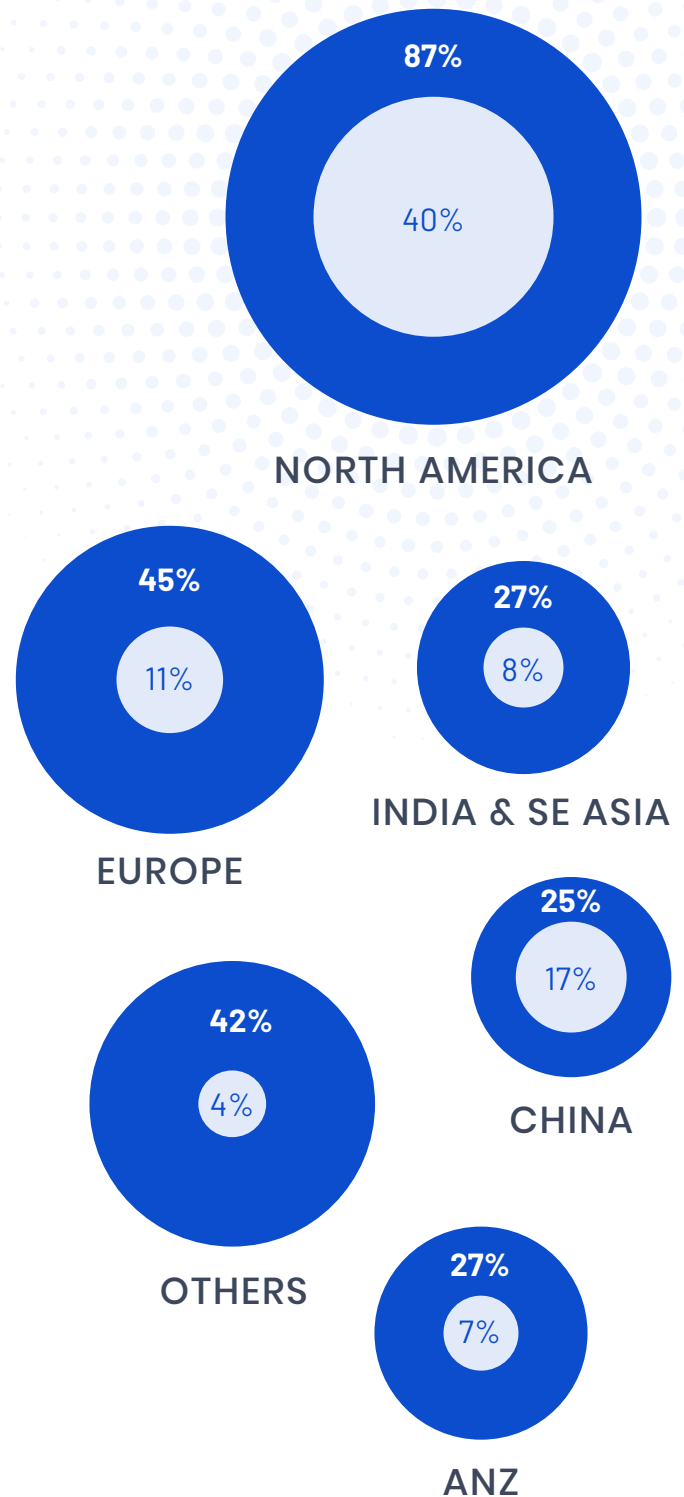
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In short, mobile programmatic is rapidly growing in popularity. Our research found that, in looking at the first half of 2018 compared to the first six months of 2017, the total amount of money spent programmatically rose **308 percent worldwide**.

And, a greater share of budgets are being devoted to programmatic as well. During this time frame, the share of all mobile advertising spend globally conducted programmatically went from 19 percent to 56 percent.

SPENDING ON PROGRAMMATIC AS A SHARE OF TOTAL MOBILE AD SPEND ACROSS REGIONS

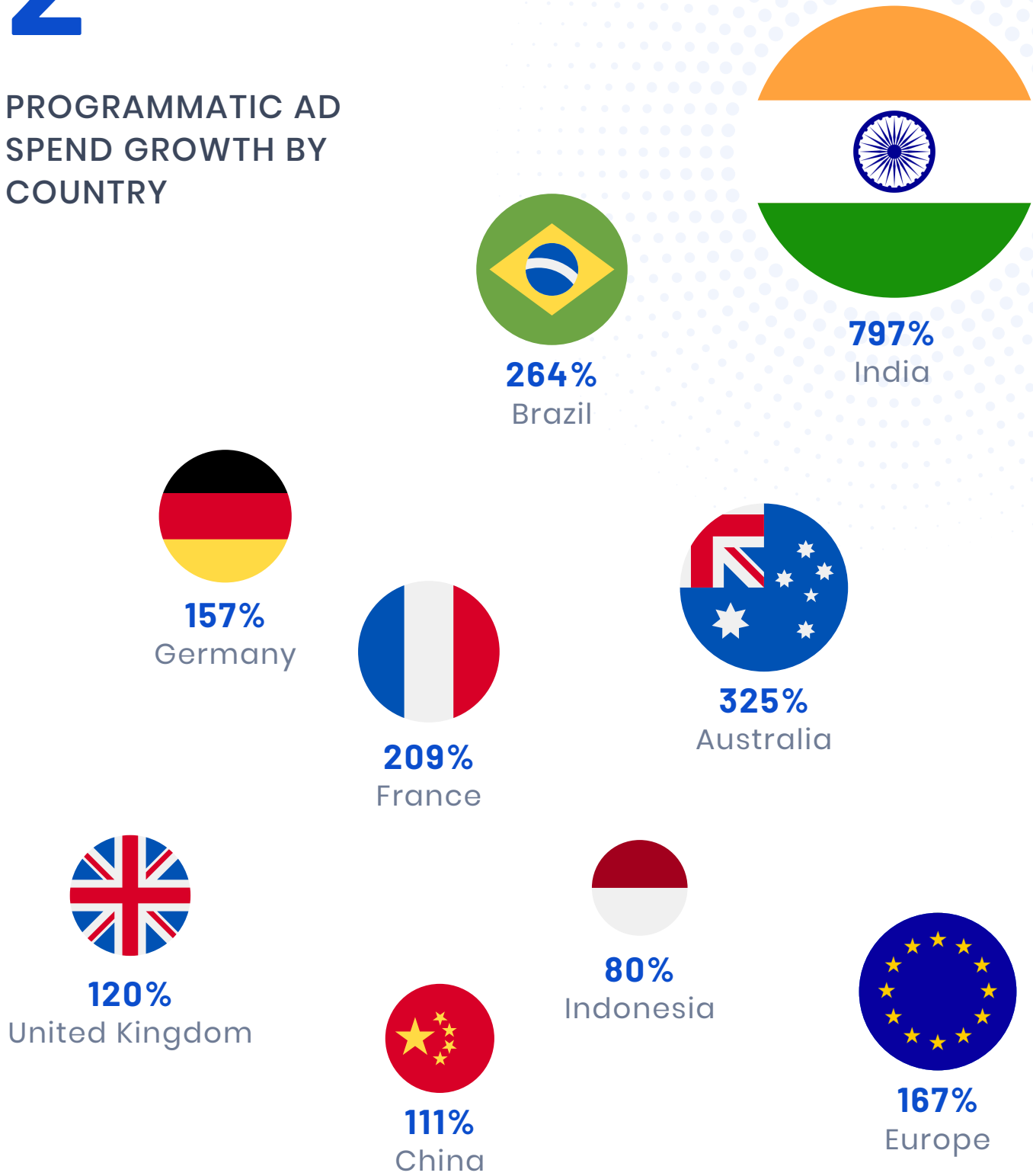
● H1 2017 ● H1 2018



Why is programmatic on the rise? According to one global survey from 2017, the top cited benefits of programmatic over other methods included greater operational efficiency through automation, better audience targeting and more effective use of/less waste of spend.

2

PROGRAMMATIC AD SPEND GROWTH BY COUNTRY





PROGRAMMATIC
VIDEO AD
SPENDING
GROWING RAPIDLY

3

While advertisers are buying more programmatically across all mobile ad formats, the growth has been especially acute with in-app video ads. Even with these high-impact ad formats, advertisers see the benefits of programmatic.

Between January and June of 2018, approximately **one-third of all money spent programmatically went towards video**. And, between the first half of 2017 and the first half of 2018, the share of all in-app video ad spending conducted programmatically went from 53 percent to 85 percent.

This aligns with [what our State of Mobile Video Advertising 2018 Report found](#). In looking at the first three months of 2018 compared to the same period in 2017, total global programmatic video ad spending increased 238 percent.

PROGRAMMATIC VIDEO AD SPEND GROWTH

Timeline: Q1 2018 vs Q1 2017

NORTH AMERICA



223%

EMEA



189%

INSEA + ANZ



364%

CHINA



570%



NORTH AMERICA
LEADS THE
PROGRAMMATIC
PACK

Between the first six months of 2017 and the first six months of 2018, the share of all mobile advertising spend in North America conducted programmatically went from 55 percent to 72 percent. In that time frame, **total programmatic spending in North America rose 438 percent.**

In the U.S. alone, the share of all mobile advertising spend conducted programmatically went from 52 percent to 70 percent, and total programmatic spending grew 444 percent. Canada is not far behind, as the amount of money spent on programmatic campaigns in **Canada grew 328 percent** during this period.

438%

TOTAL PROGRAMMATIC
SPENDING GROWTH IN
NORTH AMERICA

PROGRAMMATIC
IN CANADA GREW

328%

HOW PROGRAMMATIC DEALS WERE CONDUCTED

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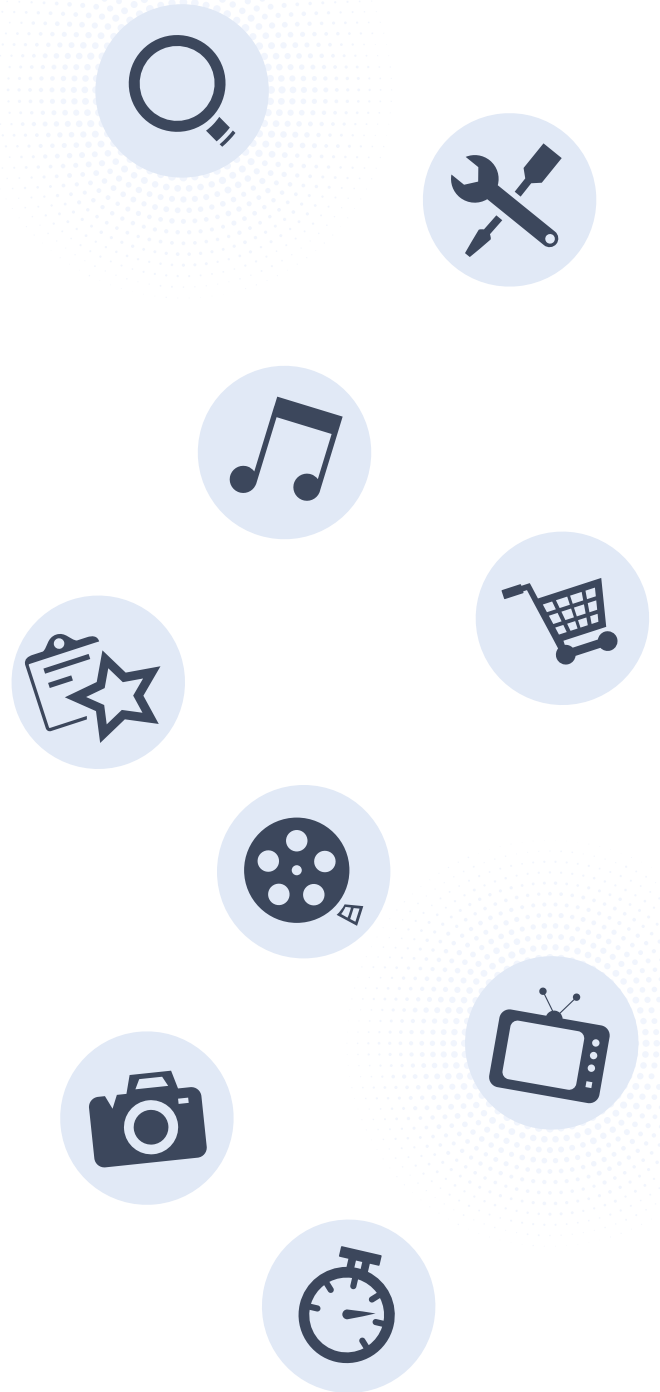
Since 2017, how were programmatic deals conducted on the InMobi Exchange?

In comparing the first six months of 2018 to the first half of 2017, the amount of money spent via private marketplace deals (PMPs) grew 71 percent.

And, in that same time period, the number of deals conducted via our open exchange more than doubled.

While each option has grown, advertisers presently prefer open exchange buying more. During the first half of 2018, 65 percent of all programmatic transactions on our network were conducted via open exchange, while 35 percent occurred through PMPs.

This is significant, as it highlights how advertisers and their partners are more readily accessing the ease and scale offered by programmatic, no matter how they prefer to structure deals.





PROGRAMMATIC'S
GLOBAL GROWTH
ACROSS INDUSTRIES

SHARE OF MOBILE AD SPEND CONDUCTED PROGRAMMATICALLY

5

While advertisers in just about every industry are embracing programmatic, a few key verticals are leading the pack. In particular, during the first six months of 2018, 42 percent of all money spent on mobile in-app advertising by consumer packaged goods (CPG) companies was conducted programmatically.

Behind them were financial services firms (10 percent of all deals), automotive (7 percent), Media and Entertainment (7 Percent), health and medical companies (6 percent), retail (5 percent) and tech (4 percent).



42%

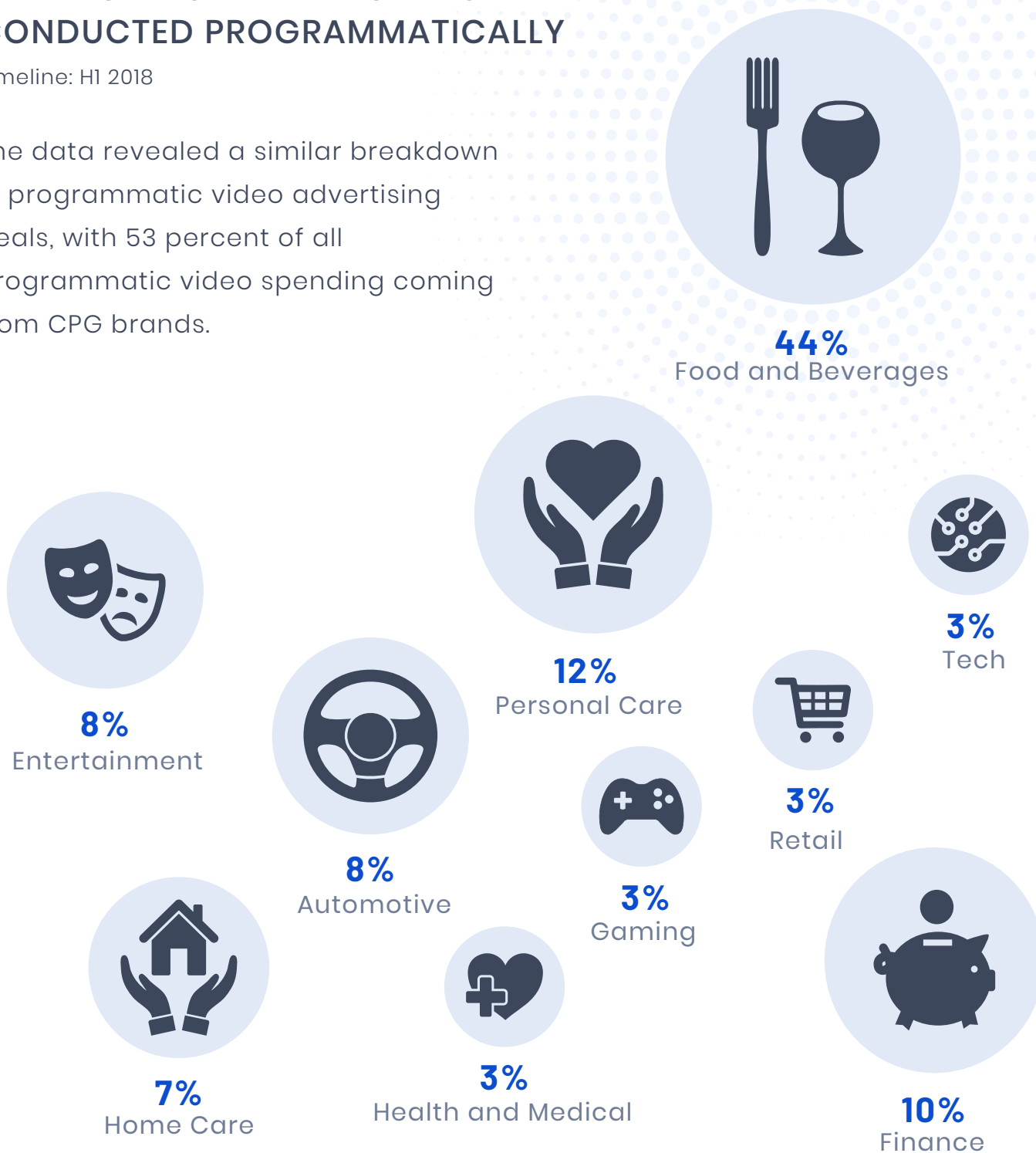
**of all money spent on mobile
in-app advertising by CPG
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programmatically**

5

SHARE OF MOBILE VIDEO AD SPEND CONDUCTED PROGRAMMATICALLY

Timeline: H1 2018

The data revealed a similar breakdown in programmatic video advertising deals, with 53 percent of all programmatic video spending coming from CPG brands.





WHAT WILL **2019**
LOOK LIKE?

Likely, expect programmatic to grow even further. It is very much within reason to predict programmatic spending to at least double or triple going forward.

Programmatic buying is largely accepted in the U.S. and Canada, but it's still in its early days in the Asia-Pacific region. Also, the European Union's General Data Protection Regulation was a big hit to programmatic earlier this year, particularly in the EU. But, that will all change in 2019.

Diversity within the programmatic mobile advertising space will likely increase going forward as well. In the future, expect other industry verticals to embrace programmatic with the same fervor of CPG firms now.

And, high-impact ad formats like video will take up a greater share of total programmatic spending over the next 12 to 24 months. Buyers are emphasizing viewable, high-quality traffic that is transparent and from a reliable source.

As mobile usage continues to increase, buyers are struggling with how to effectively manage their access to supply. As advertisers look to manage their infrastructure costs, they will increasingly focus on finding high-quality, viewable traffic from reliable and transparent supply sources.

The future is programmatic, and we haven't reached the peak yet.



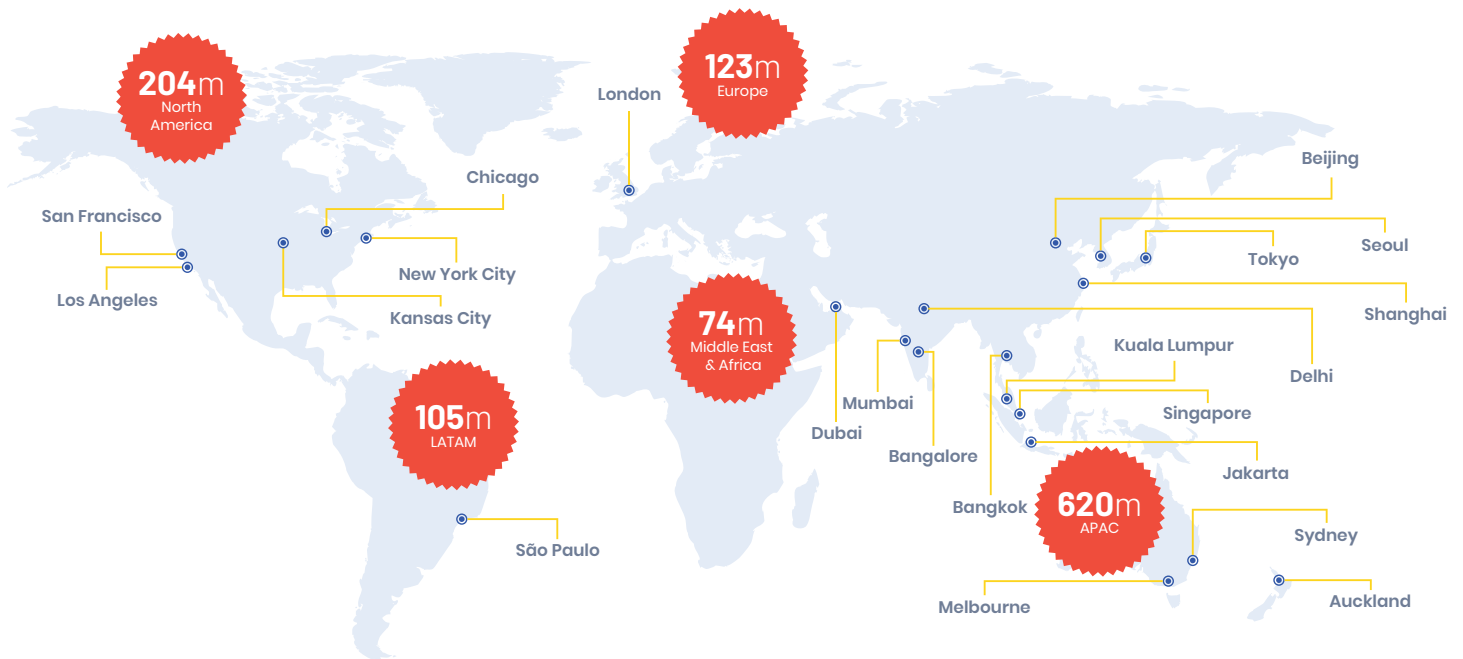
ABOUT INMOBI

InMobi is a global provider of enterprise platforms for marketers. As a leading technology company, InMobi has been recognized as a 2018 CNBC Disruptor 50 company and as one of Fast Company's 2018 Most Innovative Companies.

Interested in learning more? Reach out to us at www.inmobi.com/contact

INMOBI IS A GLOBAL IN-APP MARKETING PLATFORM

Reaching over 1 billion devices



For more information, visit www.inmobi.com