

90% of Programmatic Adopters Use Programmatic for Mobile in APAC, Compared to 71% Globally

Despite this, the industry calls for more education - with over a third of those surveyed (36%) saying they have very little understanding on how programmatic works

SINGAPORE/SYDNEY, 3 DECEMBER 2015 — The majority of programmatic adopters within the APAC region use programmatic for mobile and video - giving it a much higher use ratio than the global market. Nine out of ten professionals in APAC (90%) use it for mobile advertising and eight out of ten (79%) use it for video. This is compared to 71% and 56% respectively, globally.

Over three-quarters (77%) of advertising professionals in the APAC region now use programmatic advertising. This high adoption rate indicates that advertisers, publishers, and everyone in between see programmatic as a vital part of the future of digital advertising due to its ability to deliver more efficient and more effective advertising campaigns.

Indeed, for digital advertisers using programmatic, 'targeting' is cited as the biggest reason for adoption across APAC. Respondents believe it is far more important 'who sees' an advert rather than 'how many', with nearly two thirds of those asked (64%) giving 'targeting' as the main reason to use programmatic. High viewability, therefore, is seen as less of a priority in APAC, with only half (51%) in the region saying it is important.

However, many in the industry still grapple with the concept of programmatic. Across Asia Pacific, more than one-third (36%) of advertising professionals admit they know very little or nothing about how programmatic works. Interestingly, the lack of knowledge about programmatic runs concurrent with the relatively high usage of it (77%), suggesting there is a 'do first and understand later' attitude.

One of the biggest concerns, cited by four in ten (40%) respondents, is the lack of transparency on where ads end up displayed, and almost half (48%) of local professionals fear their advertisements will appear on undesirable sites. Additionally, only one in four advertiser respondents (25%) in APAC identify as totally confident in knowing how effective his or her digital campaigns perform. These concerns around trust indicate a need for education and transparency in order for programmatic to reach its full potential.

These are some of the key findings of Reaching Full Potential, an investigation of the programmatic practices and attitudes of 202 advertising professionals from the Asia Pacific region. Participants included advertisers, media buying agencies, advertising agencies, agency networks, publishers and advertising technology companies. Part of a global research project, the study was commissioned by AppNexus, the world's leading independent ad tech company, in association with WARC, IAB Australia and IAB Singapore, and was conducted by Circle Research.

The research reveals almost all (93%) of media buying agencies are using programmatic across APAC. The majority (92%) of advertising professionals expect programmatic will be the dominant or an important force in digital advertising in the years to come, and two-thirds (65%) of the ecosystem recognise that knowledge of programmatic will be one of the most important capabilities that agencies will need to possess in five years' time. This compares to just over half (57%) of professionals who believe that high levels of creativity will be important, indicating a significant shift in areas of focus and expertise for the industry. Even today, more than half of survey respondents (59%) believe a strong knowledge of programmatic is a necessary skill for agencies.

Dave Osborn, VP Sales APAC, AppNexus said: "It's clear to me that the vast majority of digital advertising will be transacted programmatically in the next few years, so it's critical that we ensure the most important stakeholders are brought along the journey. Yes, we have to address the valid concerns people are expressing regarding control and transparency. But that needs to be part of a much broader education for advertisers and agencies that helps them understand when, where and how this evolution towards programmatic execution can benefit them...and equally where they're exposed to new risk."

Edward Pank, Managing Director, Warc Asia Pacific: "It's very encouraging to see that adoption of programmatic in this region is on the rise and effective targeting, is one of the key reasons behind this growth. Yet clearly more needs to be done to help build confidence, know-how and best practice across the industry to help programmatic reach its full potential in the years to come."

ABOUT APPNEXUS

AppNexus is a technology company that provides trading solutions and powers marketplaces for Internet advertising. Its open, unified, and powerful programmatic platform empowers customers to more effectively buy and sell media, allowing them to innovate, differentiate, and transform their businesses. As the world's leading independent ad tech company, AppNexus is led by the pioneers of the web's original ad exchanges. Headquartered in New York City with 23 global offices, AppNexus employs more than 1000 of the brightest minds in advertising and technology who believe that advertising powers the Internet. For more information, follow us at @AppNexus or visit us at www.AppNexus.com

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