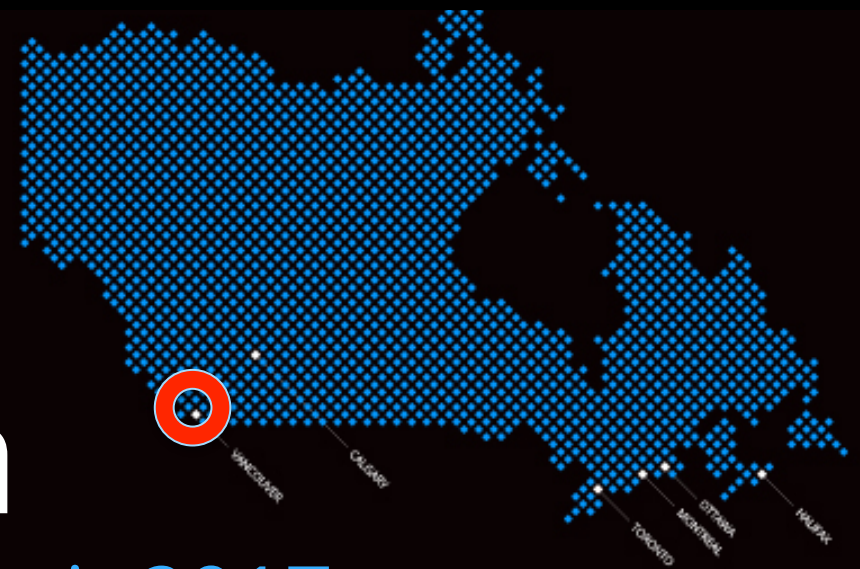


IAB Canada

Digital Marketing Summit 2017



About IAB Canada

About IAB Canada

Powerful Digital Leadership

IAB Canada represents over 250 leading media and technology companies that are responsible for buying, selling, delivering and optimizing digital advertising or marketing campaigns. Together, our members account for over **80%** of the **\$5.5 Billion** digital advertising industry in Canada.

About IAB Canada

Powerful Digital Leadership

IAB Canada is the only organization fully dedicated to the development and promotion of digital/interactive advertising in Canada delivering:

- Original Canadian digital marketing research
- Globally accepted digital ad standards
- Advocacy for the Canadian digital advertising industry to the Canadian government
- Trained human capital, through globally standardized courses, certification and custom workshops
- Information to the industry and enhanced communication between members – industry collaboration

Research

Powerful Digital Leadership

Canadian Research

Consistent Trending + Market Relevance

- Revenue Survey
- CMUST
- Ad Blocking
- Global Mobile Trends
- Custom Benchmark Studies
- Barometer Reports – AR/VR, Location Based Advertising

Highlights from the 2017 Revenue Survey

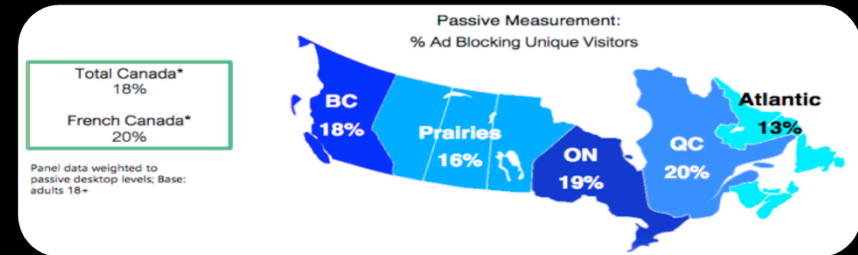
2017 Revenue Forecast is Up +13% to hit \$6.2 Billion

- 2016 revenue grew sharply by 19% to \$5.5 billion
- Mobile continues to be the largest driver with 57% growth
- Video grew by 34% - faster than any other format
- Digital now has a 43% lead over television

Highlights from the 2017 Ad Blocking Study

77% of Canadians are in favour of the ad supported web

- 18% of Canadians use ad blockers (stable YoY)
- French Canadians have a slightly higher usage – 20% vs. 18%
- Highest incidence is still among millennials – 26% peaking at 33% of males 18-24 and 44% of French Canadian males 18-24
- 5% ad blocking on mobiles and 7% on tablets
- Biggest motivator to uninstall ad blocking is content blockage – excellent news for IAB initiatives like LEAN and DEAL



Highlights from the 2016 CMUST Study

In Summary

- **Random duplication** is a good thing – brands will need to rely on it for the foreseeable future
- **Car Connectivity and OTT** (smart TV) represent devices with reasonably strong prospects for growth in the future.
- Only the Internet medium has exhibited significant *real* growth in reach and time.
- Over 40% of the Internet medium's total consumed time is estimated to be “buried”; **still unmeasured.**
- **Netflix** now boasts subscriptions penetration of almost 60% of adults 18-34 in Canada according to the Spring 2016 MTM survey
- **“Cordlessness”** is growing in Canada, led by the TMW 18-34 year olds.
- Internet Video is the way to an 18-34 year old's heart.

Highlights from the 2017 Global Mobile Trends Study

Global Mobile Takeaways

Smartphone users access the internet via mobile web and/or mobile apps frequently. Awareness and impact of mobile advertising on these platforms are similar.

Consumers' perceptions of mobile advertising exhibit both improvements and challenges. There is a similar pattern of advertising perceptions on mobile web and mobile apps.

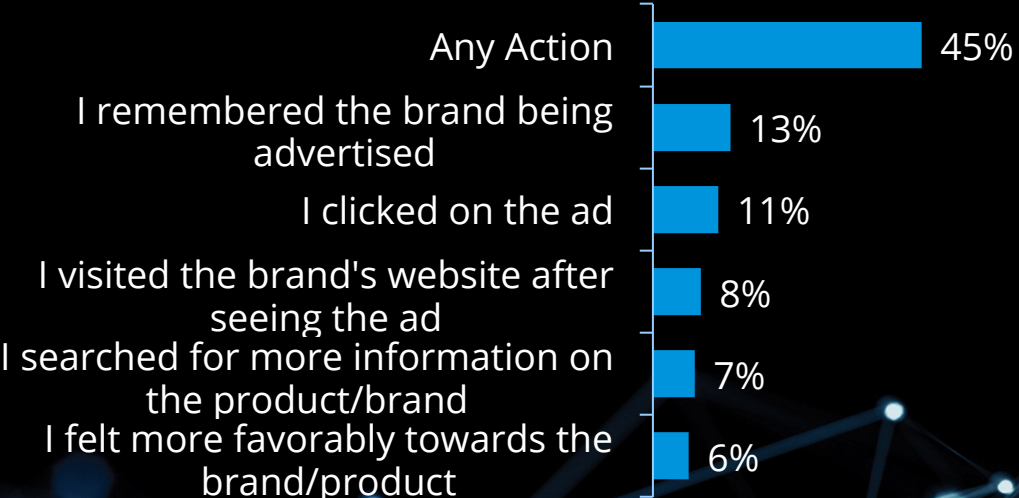
- Smartphone users worldwide report improvements in ad loading speed and creative quality.
- There were consistent concerns across the globe about increased quantity and intrusiveness of ads.

Consumer's preference towards using mobile web and mobile apps varies by type of activities and type of content.

- Mobile web leans towards functionality and utility,
- Whereas mobile apps skew personal and social.

Highlights from the 2017 Global Mobile Trends Study

Mobile Web Actions – North America



	Regional Average	USA	Canada
Any Action	43%	45%	40%
I remembered the brand being advertised	14%	15%	13%
I clicked on the ad	9%	11%	7%
I visited the brand's website after seeing the ad	8%	7%	9%
I searched for more information on the product/brand	7%	9%	5%
I felt more favorably towards the brand/product	5%	3%	6%

Highlights - 2017 Moat Custom Canadian Benchmark Study

Participating Canadian Publishers Outperformed Global Averages Across 3 Key Metrics

- Viewability
- Invalid Traffic
- Attention



Setting Higher Standards

Powerful Digital Leadership

Developments from the IAB Tech Lab

A Focus on Better User Experiences

- **New Ad Portfolio** supporting LEAN ads launched in Spring 2017 – is available online and we are coordinating with publishers on adoption plans
- **Open RTB for Native Content** launched a few months ago improving the communication between publishers and buyers – better reporting on viewability of content
- **Mobile Rich Ad Interface Definition (MRAID)** Version 3.0 improves user experience and enables the ad to measure viewability and audibility, detect MRAID environment, and get location data to present user with the best possible experience.

Higher Standards – To Secure the Supply Chain

Powerful Digital Leadership

TAG/Ads.txt Update

Canadians are Actively Combating Fraud

Accelerated growth in 2017 after Marc Pritchard's speech at IAB Leadership Summit
350+ applications – many Canadians have applied after P&G implemented their global partnership standard

Almost 100 companies in Canada registered for TAG

Thousands of domains are registered and the largest Canadian publishers are actively implemented or are near completion.

Demand a clean buying environment – ask your partners to participate!

Policy & Regulatory Affairs

Powerful Digital Leadership

Digital Advertising & Policy

Digital Media continues to grab the attention of Policy Makers in Ottawa

As digital media continues to steal the media show, IAB Canada has significantly increased its presence in Ottawa.

Following are the most recent files we have been working on:

- General Self-Regulation
- PIPEDA & GDPR
- CASL
- Section 19 Tax Reform
- Marketing Food & Beverage to Children
- NAFTA renegotiations

Human Capital

Powerful Digital Leadership

Advanced Training for Digital Media

Addressing Change

To succeed, organizations need to move from basic execution to skills that will differentiate in today's competitive market.

- Business of Digital Series launched 2015
- Data to Insights course launched in 2016
- Brand Safety Workshops
- Policy Workshops – CASL for Publishers
- Coming soon:
 - Renewed focus on data/insights
 - Best practices for identifying and avoiding fraud
 - Audiences – understanding and planning for fleeting targets

Industry Collaboration

Powerful Digital Leadership

Councils & Committees

An Engaged Community

IAB Canada Councils and Committees form the backbone of our industry. Increased engagement means increased outputs:

- Flash is Dead
- Little Book of Data & Analytics
- Updated Member Programmatic Landscape
- Research Directory including cross-industry studies paid and non-paid
- Updated Taxonomy
- Audit best practices – an agency perspective
- Input on Section 19 reform
- Video on Fraud – coming to the Digital Media Summit
- Informational webinars
- Weekly update – includes all projects and IAB news

Thank you for Supporting IAB Canada

Powerful Digital Leadership