

# European Programmatic Market Sizing 2014

IAB Europe, September 2015



Advertising revenue that is generated through transactional or workflow automation mechanisms embedded in an infrastructure that relies on a set of rules applied by software and algorithms that draw on data, commonly known as 'ad tech'. Following the IAB's proposed taxonomy, 'programmatic' here is an aggregate category that is composed of four discrete transactional models, each of which we consider a sub-set:

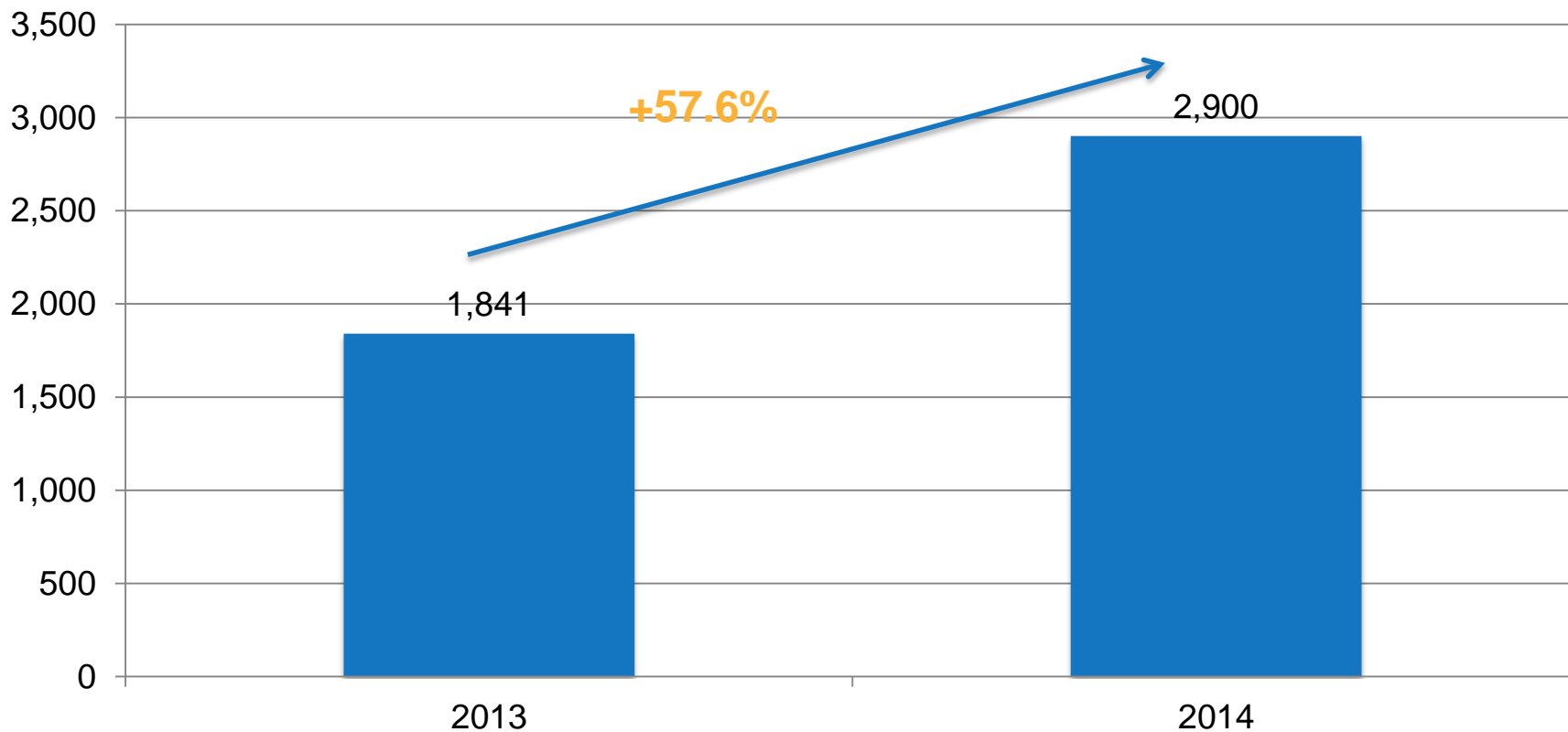
- 1. Automated Guaranteed
- 2. Unreserved Fixed Rate
- 3. Invitation-Only Auction
- 4. Open Auction.

Advertising revenues are recognized as 'programmatic' whenever any of those mechanisms applies, irrespective of the inventory owner's awareness of their involvement. This means that revenue is also considered programmatic if inventory that is originally sold to an intermediary through non-programmatic means (e.g. agency bulk buying) is re-sold to an end-buyer programmatically. Revenue is recognized as programmatic irrespective of whether the inventory owner acts directly or indirectly via an intermediary.

# A €3bn programmatic market for desktop banner display



## Europe: Programmatic Desktop Display NAR\* (€m)



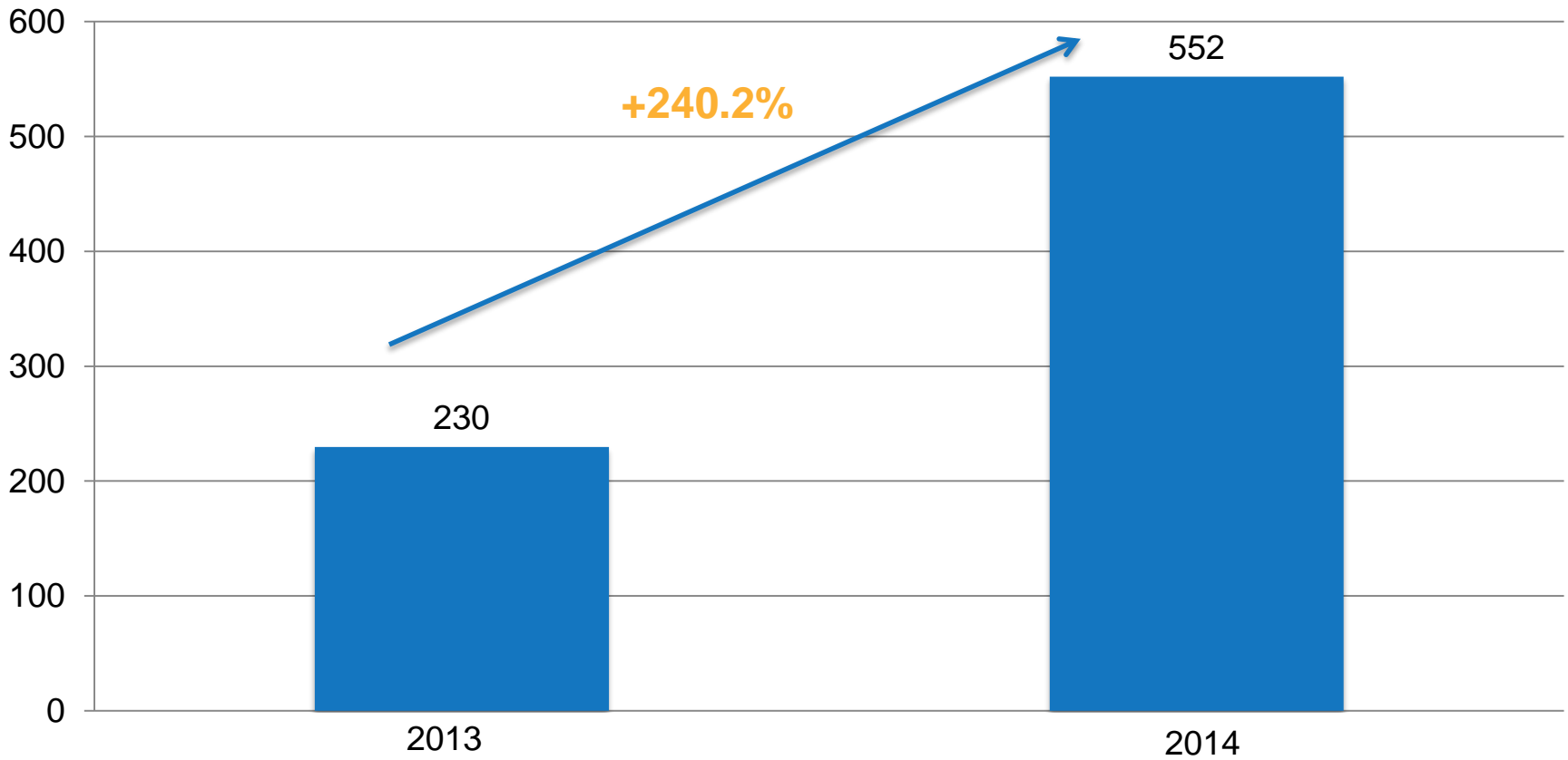
Source: IAB Europe and IHS

*NAR = net advertising revenue; display data excl. mobile and video*

# Mobile programmatic explodes



## Programmatic Mobile Display NAR (€m)



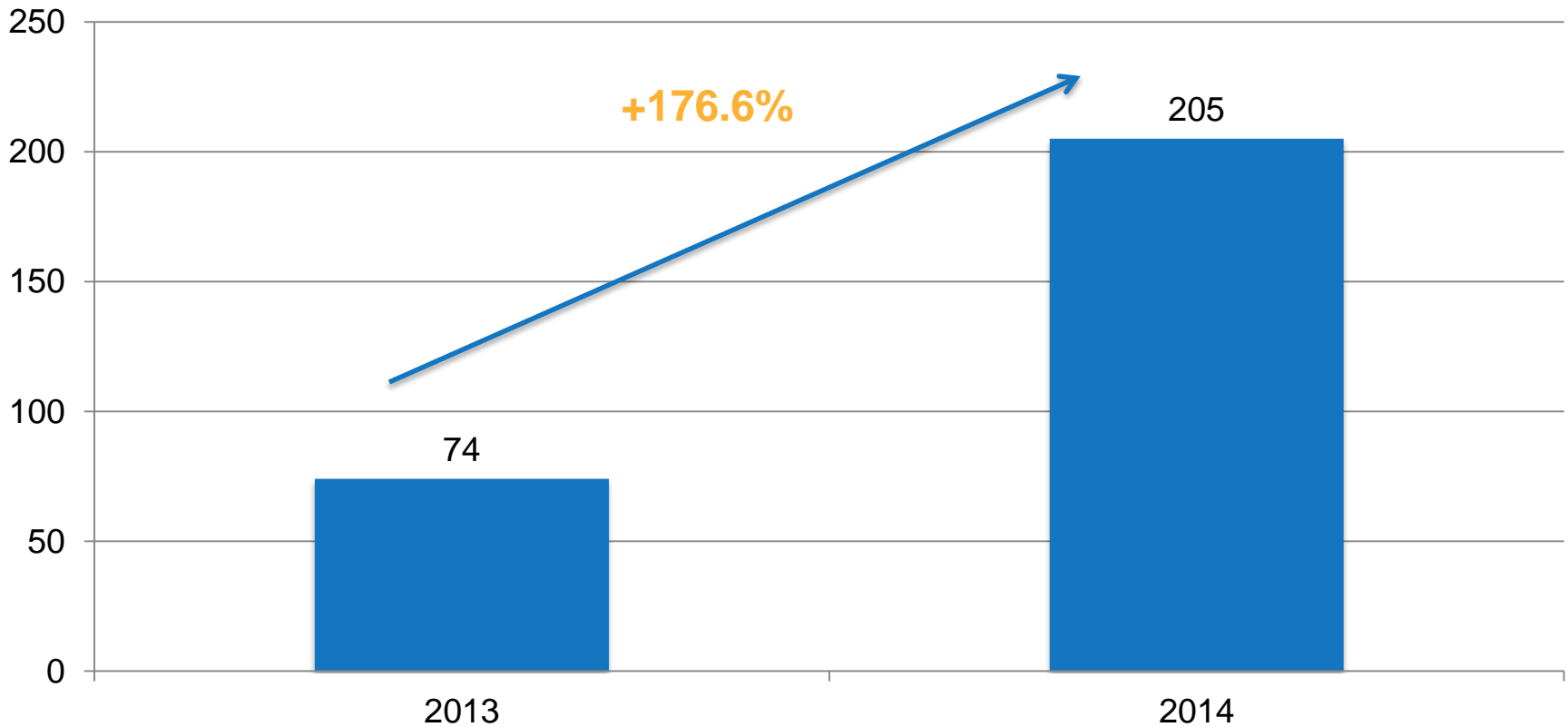
Source: IAB Europe and IHS

NAR = net advertising revenue; display data excl. desktop and excl. video

# Programmatic video market more than doubles



**Programmatic Video Display NAR (€m)\***



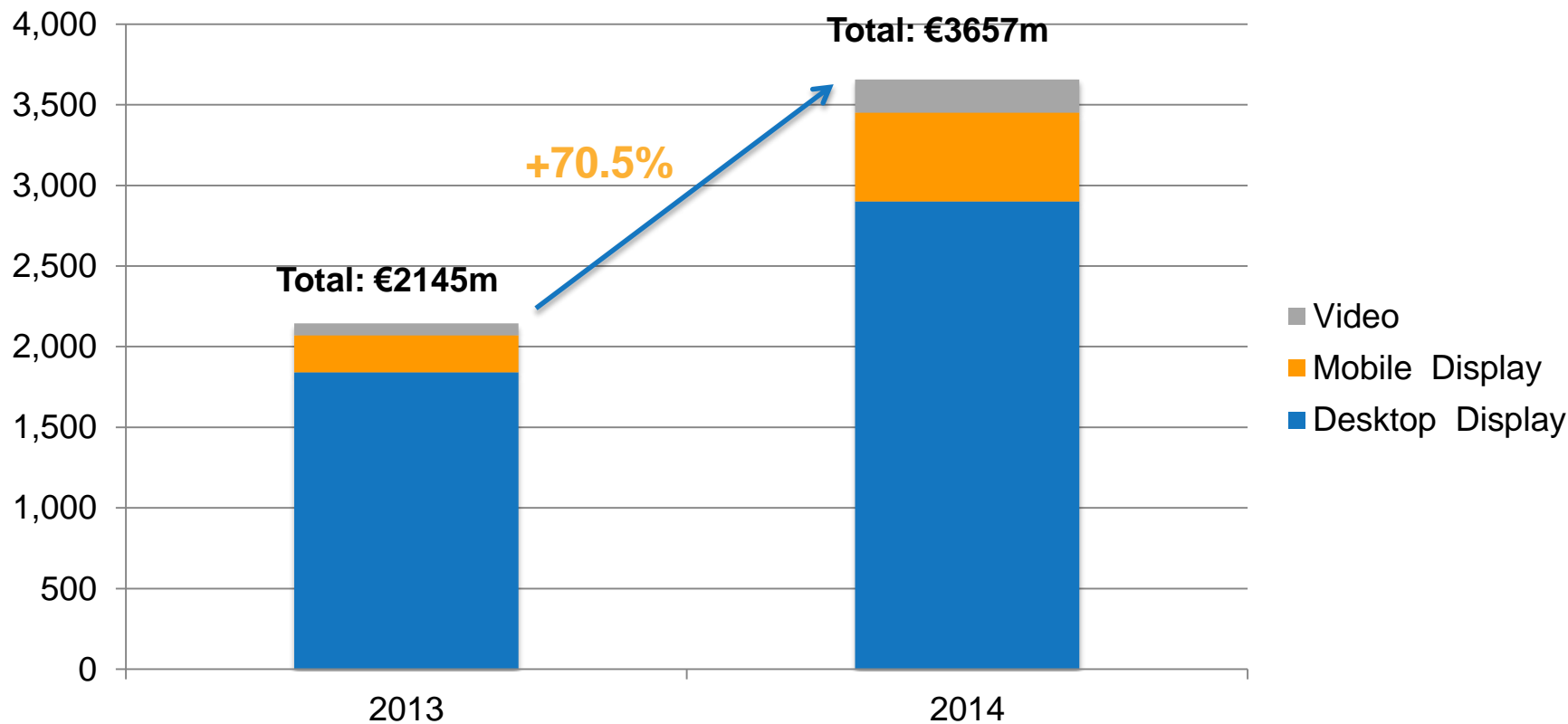
Source: IAB Europe and IHS

*NAR = net advertising revenue; desktop and mobile video*

# Within €3.65bn programmatic total, desktop display dominates



## Programmatic formats in context (€m)

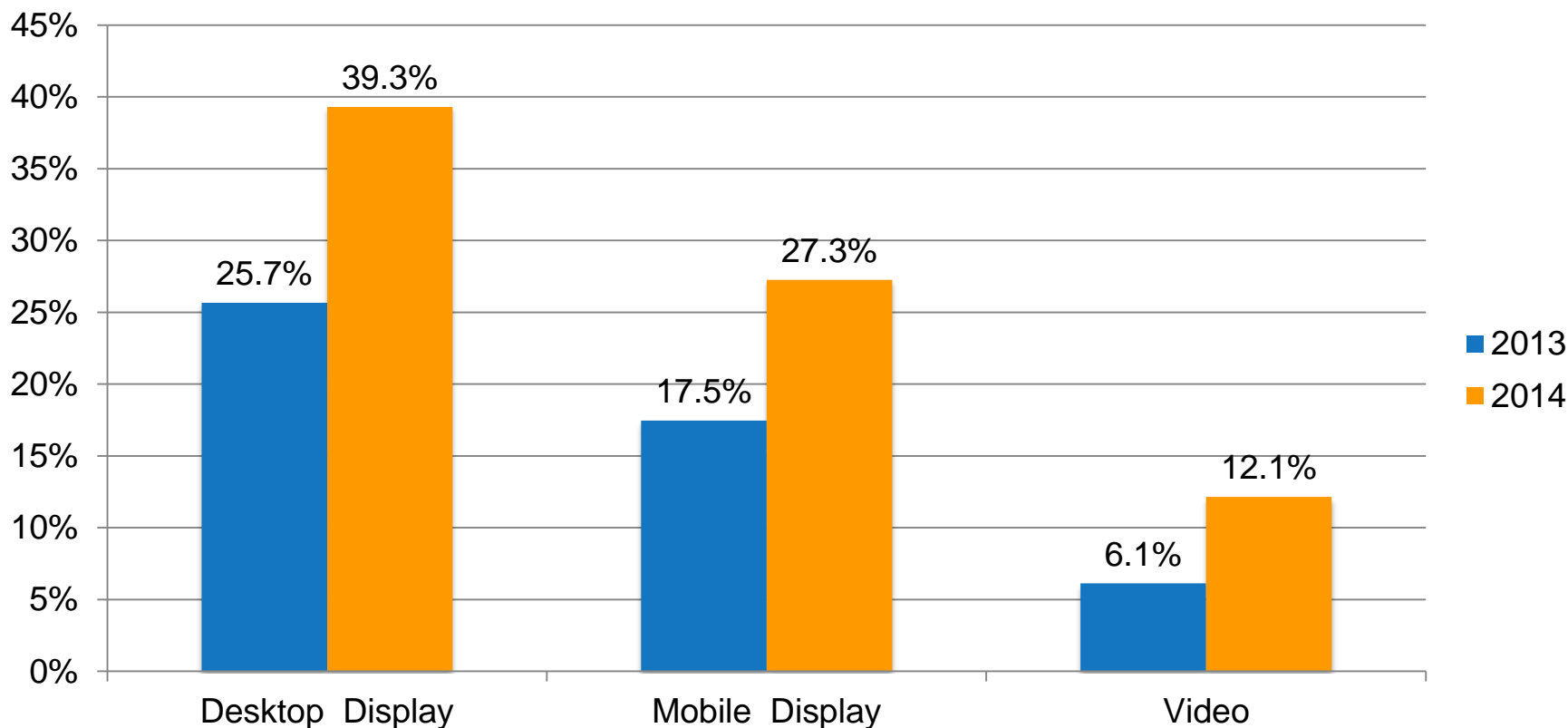


Source: IAB Europe and IHS

# All formats now generate double-digit share of total revenue programmatically



## Share of format revenue that is generated programmatically

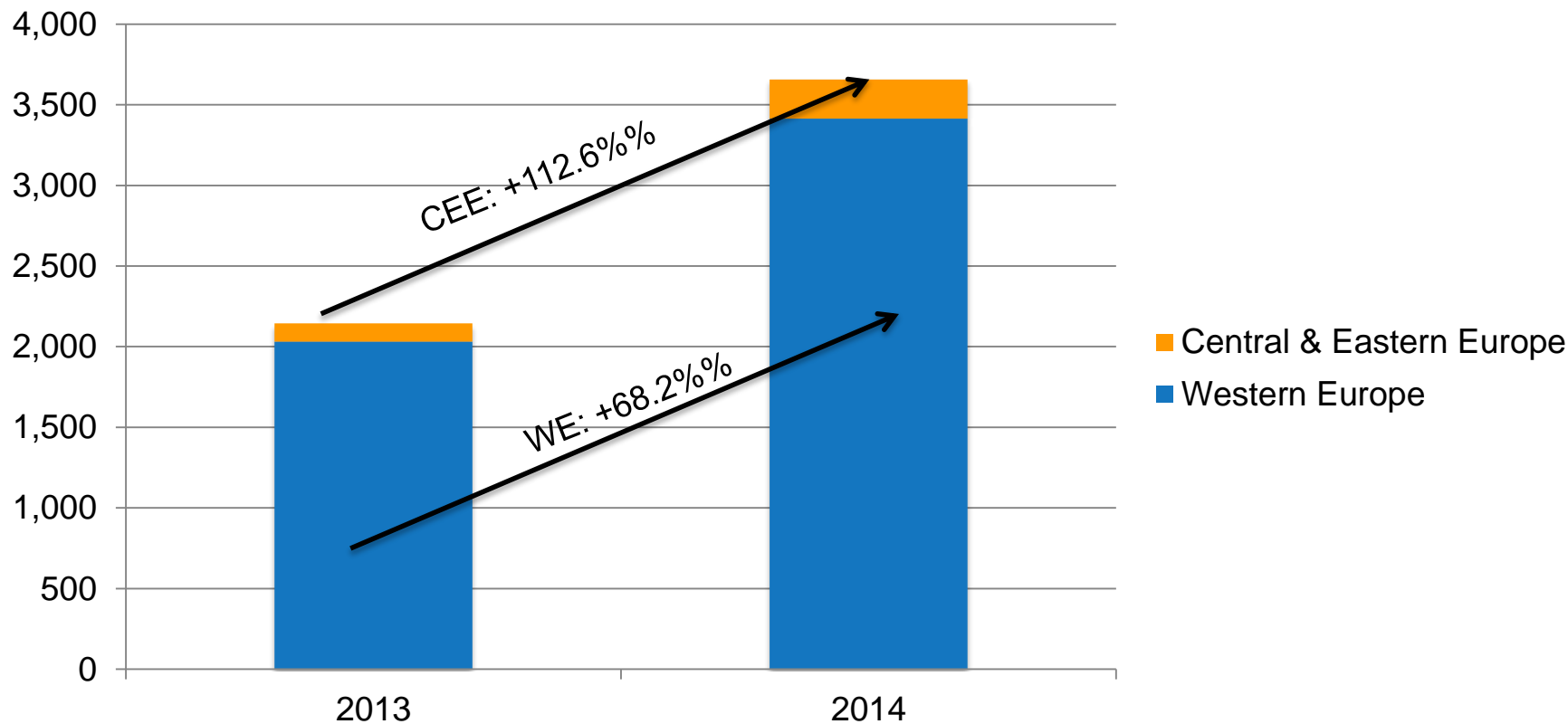


Source: IAB Europe and IHS

# Western Europe has lion's share, but Central & Eastern Europe surges



## Total programmatic NAR: regional trends



Source: IAB Europe and IHS



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