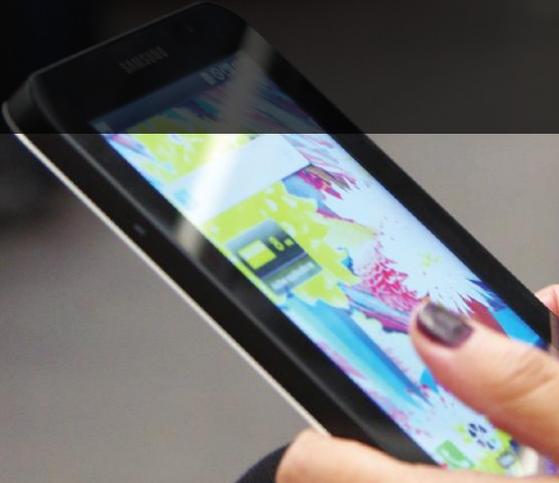




**2012 ADOBE DIGITAL VIDEO
ADVERTISING REPORT**



ADOBE DIGITAL VIDEO ADVERTISING REPORT

April 2012

Adobe's first Digital Video Advertising report analyzes consumer behaviors around online ad engagement providing media companies and premium content owners with insight to identify increased ad revenue potential. The study tracks how viewers' response to online ads around video content is impacted by content type, length of video stream, ad format, placement and device, and indicates growing similarities between the consumption of video ads online and traditional broadcast commercials. Adobe Auditude video ad platform clients include Major League Baseball, Comcast, Dailymotion, Fox News, News Distribution Network (NDN), Globo Brazil, Channel 5 (UK), Major League Gaming, and more.



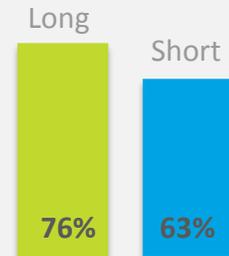
KEY FINDINGS

- Mid-roll video ads, the most engaging commercial position, easily outperform completion rates of pre-rolls and post-rolls. With an 87% completion rate, mid-rolls are performing close to 30% better than pre-rolls.
- Completion rates on mobile devices are the highest of any environment at 94%, suggesting that mobile viewers are highly engaged and willing to watch ads as part of the content experience on the go.
- Live content is king for advertisers. Video ads are in general more successful when included in live content than with video-on-demand (VOD). The completion rate during live content is 85%, 23% higher than with ads in VOD.
- We are seeing the growing similarities between broadcast and online delivery of ads. An average of 5.5 video ads are being served as part of long-form, professional content. With a completion rate of 70%, viewers are willing to watch and engage with ads online in exchange for premium video content.
- Completion rates of ads in professional content (72%) tend to be higher compared to user generated content (UGC, 63%). This indicates a highly-engaged, focused audience willing to watch ads as part of professional content.
- The majority of overlay ads are delivered across UGC while the majority of linear ads are delivered across professional content. In terms of linear ads, mid-rolls in professional content are performing better than in UGC.

COMPLETION RATES BY CONTENT TYPE

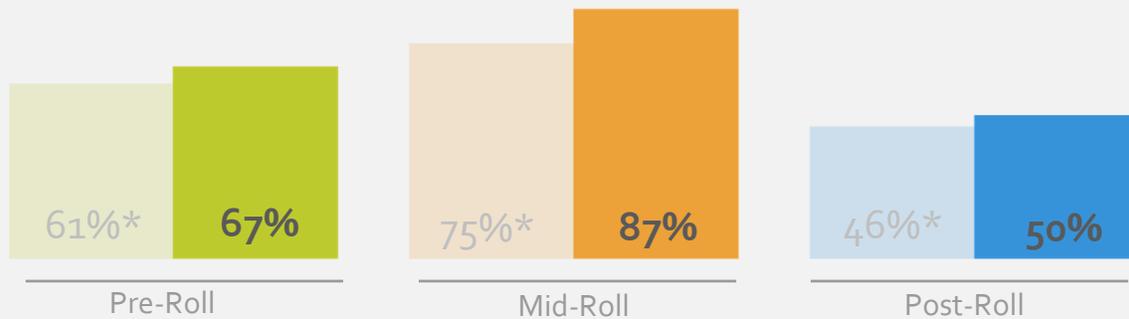
In-stream video ads show higher completion rates when viewed in long-form as opposed to short-form content. Mid-rolls have the highest completion rate totaling 94% on mobile devices, suggesting that mobile viewers are highly engaged and willing to watch ads as part of the content experience on the go.

** Short-form content is defined by <five minutes*



COMPLETION RATES BY SPOT POSITION

Although pre-roll video ads are dominant for in-stream advertising, mid-rolls are the most engaging ad format, outperforming completion rates by nearly 30% in comparison to post-rolls and 20% more than pre-rolls. Compared to data from the first six months in 2011, completion rates for all video ads are at a record high.



** January – July 2011*

LINEAR ADS PER STREAM VIEWED BY CONTENT FORM AND LENGTH

Viewers complete in-stream ads much more often on professional content than UGC. In long-form professional content, 5.5 ads are viewed per stream, versus 3.4 ads per stream for short-form professional content, 0.6 ads per stream for long-form UGC and 0.4 ads per stream for short-form UGC.



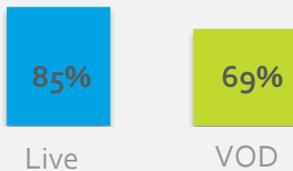
CLICK THROUGH RATES: LIVE VERSUS VOD

Click through rates (CTR) of ads on VOD content are significantly higher (2.17%) than for live content (.43%). These results are similar to live streaming and TV simulcast ad experiences where the advertising goal is often more focused on brand awareness and lift as opposed to an immediate call-to-action.



LIVE VERSUS ON-DEMAND

Completion rates of ads in live content are significantly higher (85%) compared to VOD (69%), which indicates that viewers understand they may miss an opportunity to see the content once the live event is over.



ABOUT ADOBE AUDITUDE

A key component of Adobe's Project Primetime, [Adobe Auditude](#) offers premium content publishers and media companies industry-leading video ad management and monetization technologies across internet connected devices. Customers include Major League Baseball, Comcast, Dailymotion, Fox News, News Distribution Network, UK's Channel 5, Major League Gaming, and Brazil's largest media company, Globo.

ABOUT PROJECT PRIMETIME

Project Primetime is the industry's first fully integrated video technology platform to enable seamless, TV-like experiences for ad-supported videos across Web-connected devices. Addressing the increasing challenges of device and platform fragmentation, Primetime delivers premium video content and video ads more efficiently across all major platforms, and offers a single, end-to-end workflow that interconnects Adobe's publishing, advertising and analytics technologies. The integration enables premium video providers to give customers a superior viewing experience through seamless dynamic ad insertion into any content type, whether linear, live or on-demand across web-connected devices.

Major components of Primetime include [Adobe Auditude](#), the [Adobe Digital Marketing Suite](#), [Adobe Access](#), [Adobe streaming technologies](#), and [Adobe Pass](#). Primetime will be available in 2012 with support for Windows, Mac OS, Apple iOS, Google Android, Samsung SmartTVs and other platforms. For more information about Primetime and today's report visit the [Digital Media blog](#).



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