



From Poland with love :-
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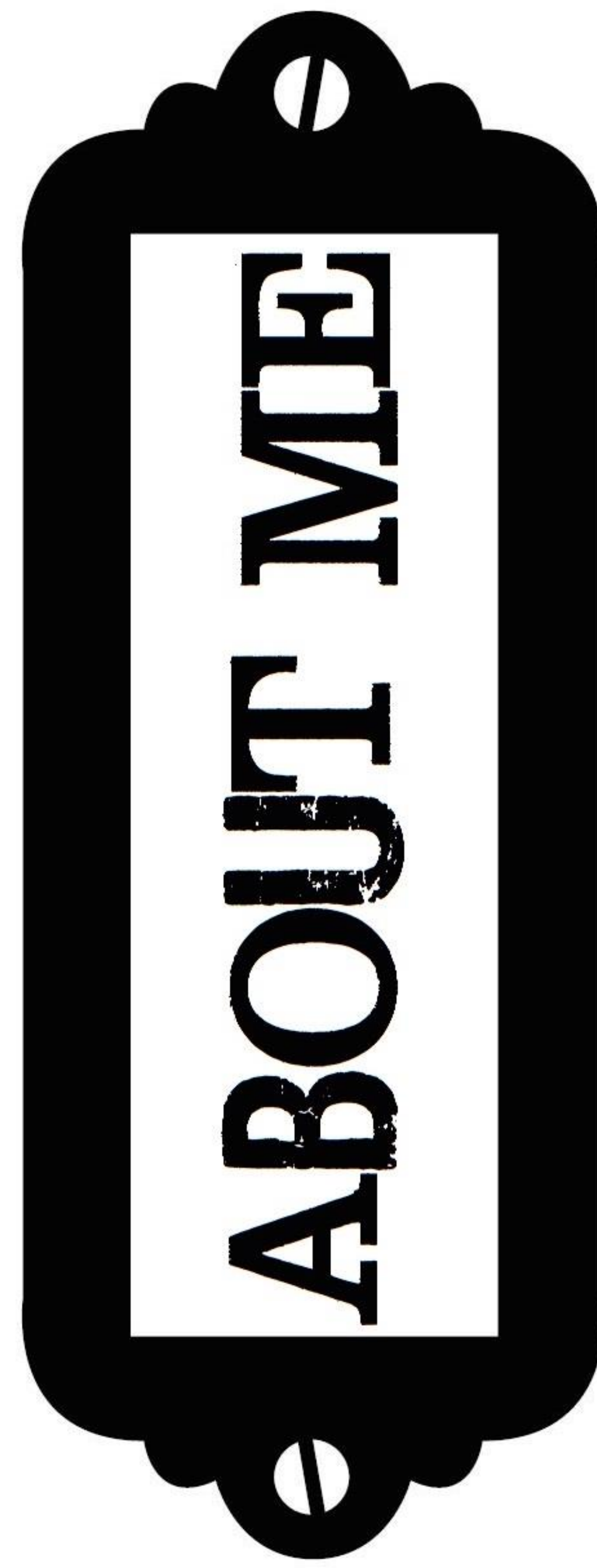
What can you learn from the polish online market?

About

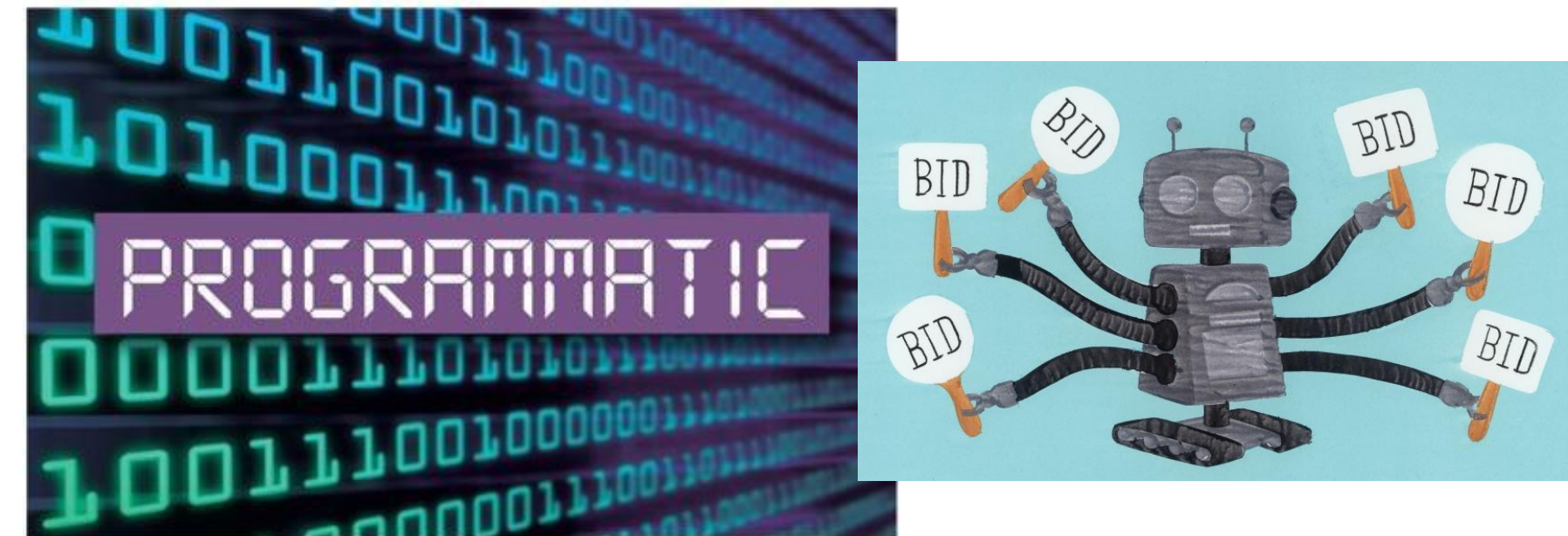
Developing ad product @ Onet for
15 years

Onet/RASP: 18 million users, 73%
reach, over 3 billion PV

President of IAB Poland 2009-12



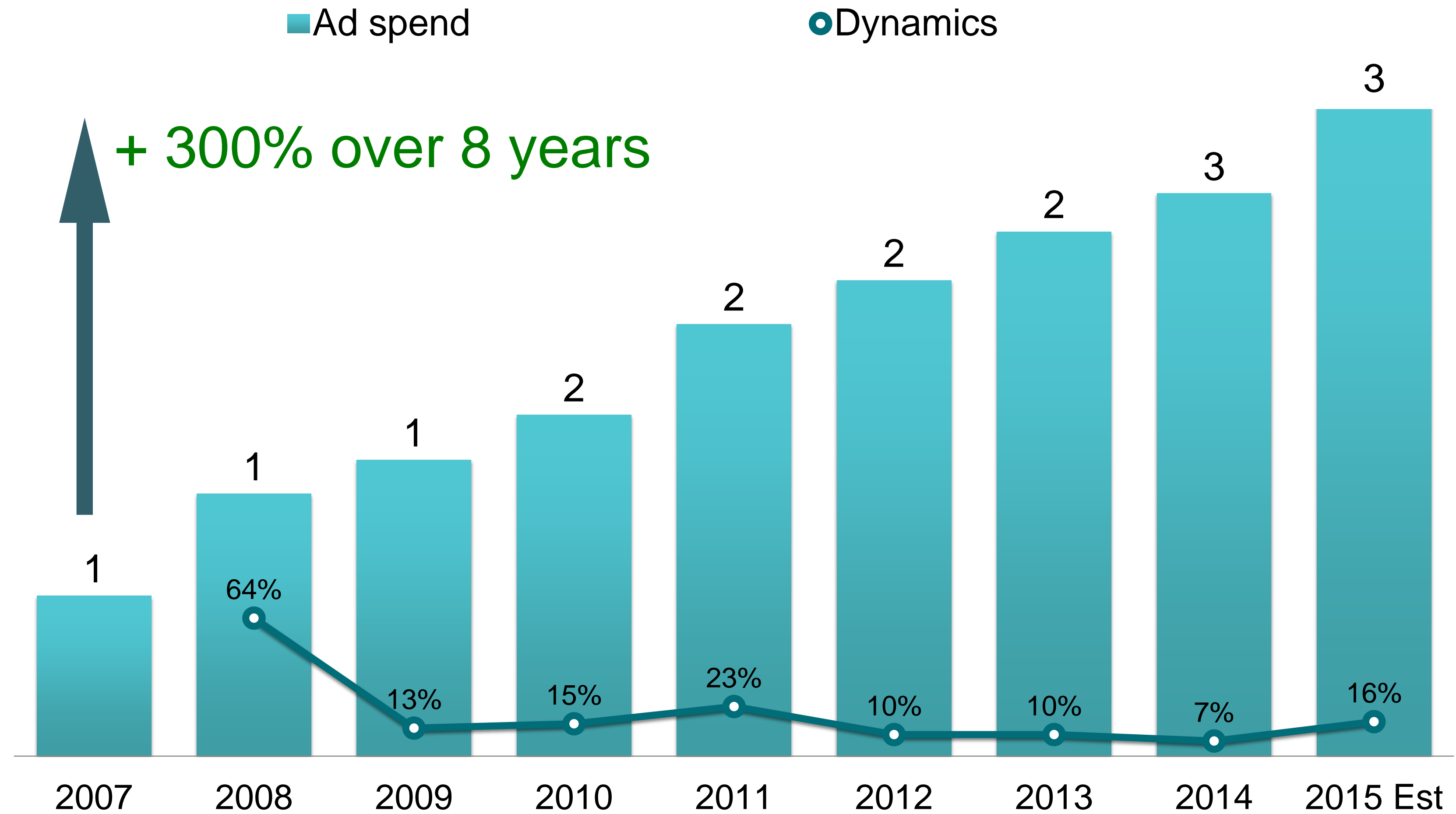
Agenda





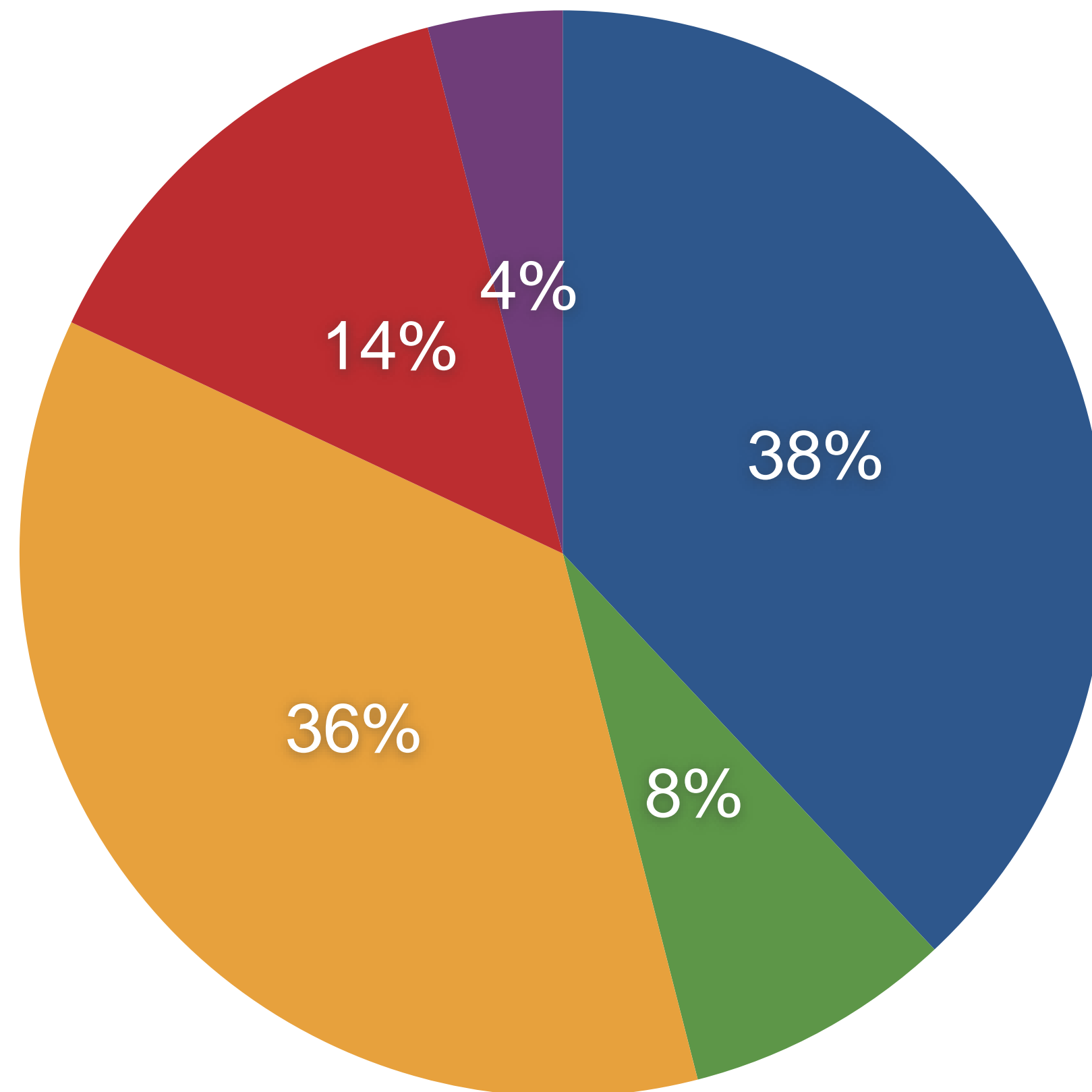
Polish market overview

Online ad spend (billion PLN)



Online ad spend structure (H1 2015)

■ Display (incl. social) ■ Video ■ SEM ■ Classifieds ■ E-mail marketing



| Growth rate | |
|------------------|------|
| Display | +24% |
| Video | +33% |
| SEM | +11% |
| Classifieds | +8% |
| E-mail marketing | -8% |

Online (publisher) landscape

Top 4 publishers



22
%

Global players



50
%



9%



Ad blocking - what?

Poland among leading countries in the world in ad block usage

Over 30% of polish online population use adblocking software

Up 200% in just 3 years

Heading for 50% in 2017? If nothing is done against..



Ad blocking - why?

Ad format arms race

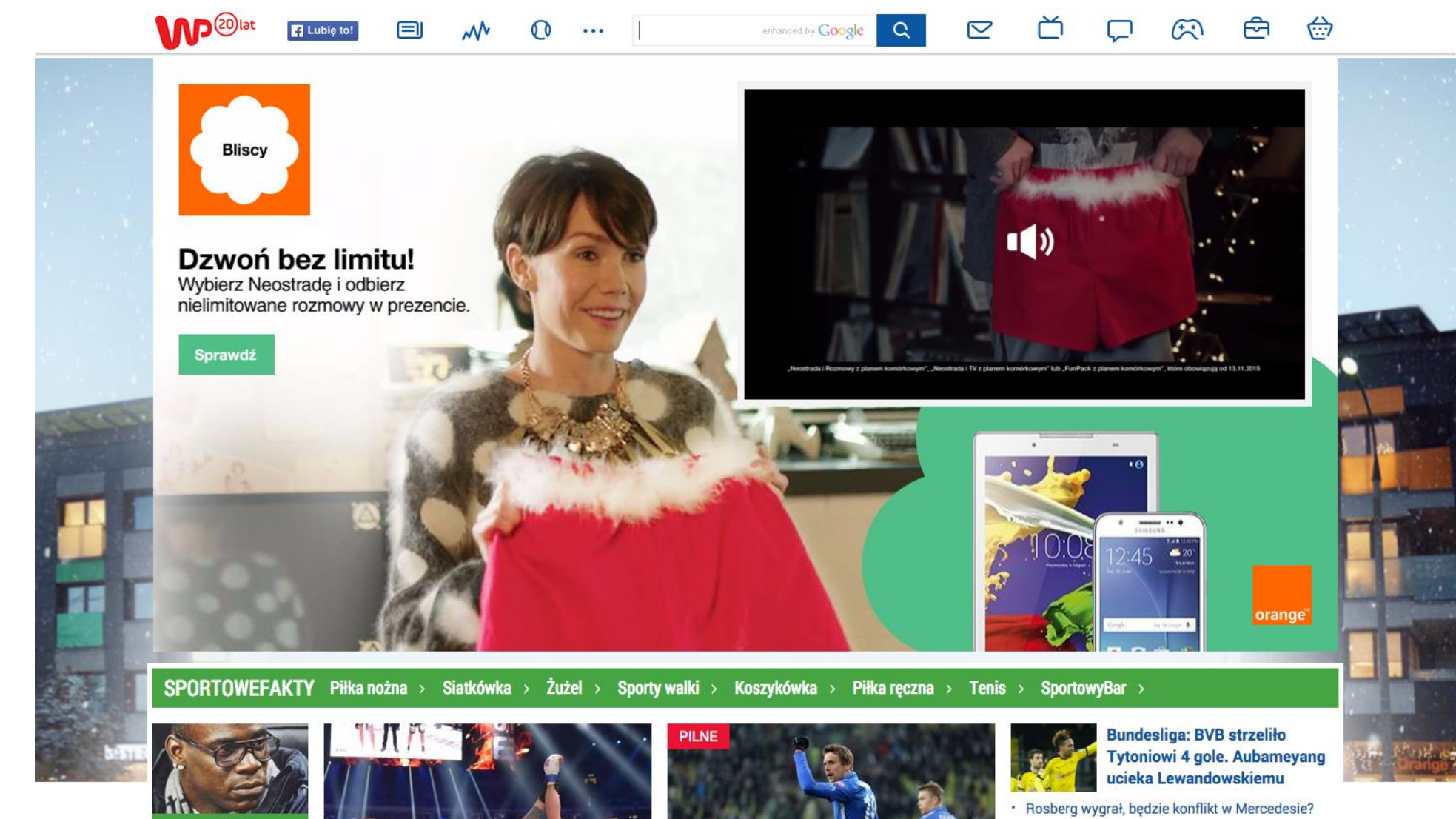
„The more intrusive, the better”

Probably the biggest ad formats in the world

Higher CTR

Marketers and brand managers like to see their brands big and flashy

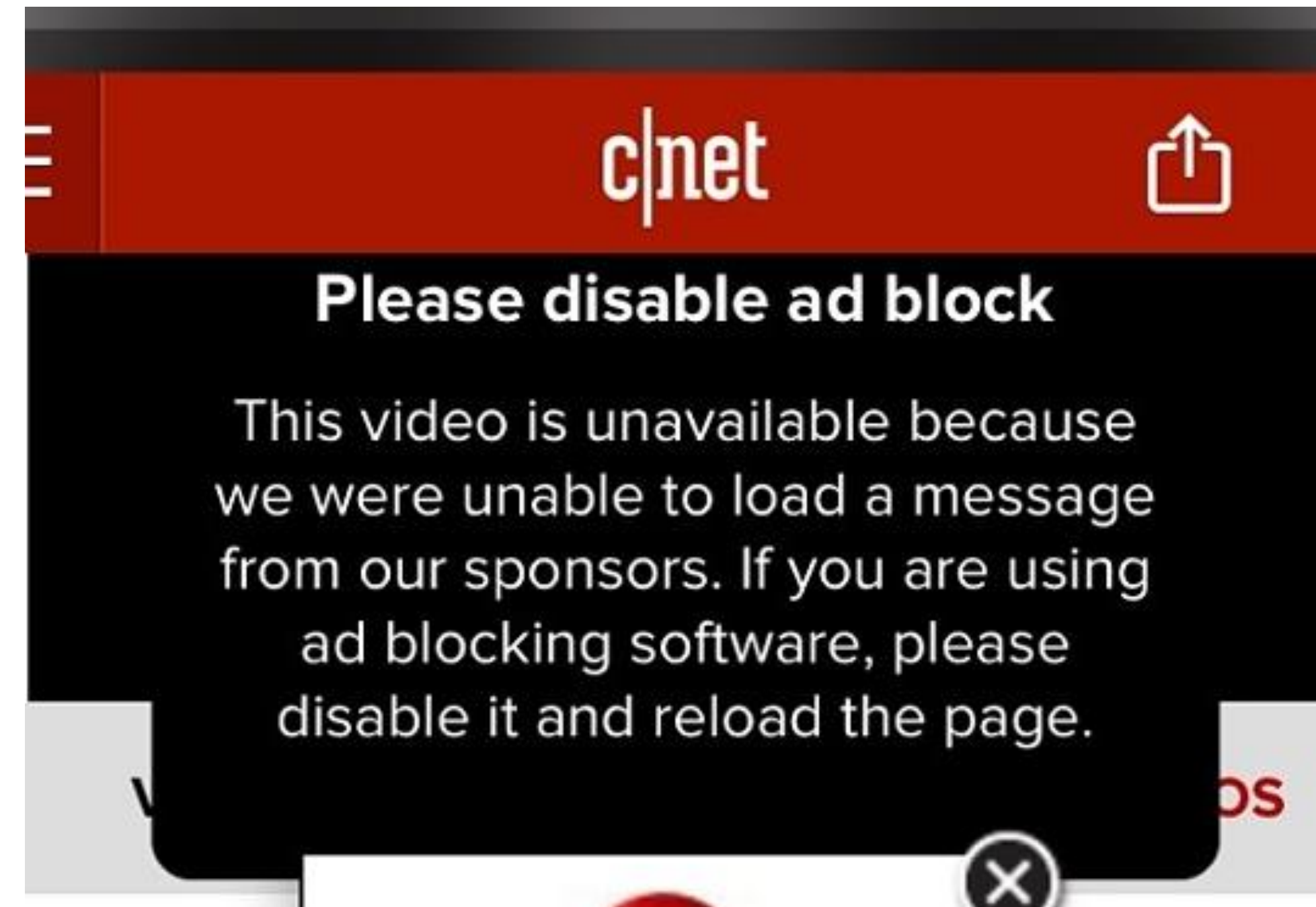
Higher ad viewability



Ad blocking - what can we do about it?

IAB Poland initiative

- reduce amount of intrusive ads - promoting best practices
- whitelisting - blocking premium content to ad block users (video etc.)
- educating users about the value chain: free content/services <-> advertising
- taking ad money away from pirate services





Ad viewability - market perspective

Marketers & advertisers getting educated

Easy access to **measurement**

Process speed up by Google, FB & programmatic platforms

No viewability billing so far but advertisers start to request for it

viewable CPM > CPM ?



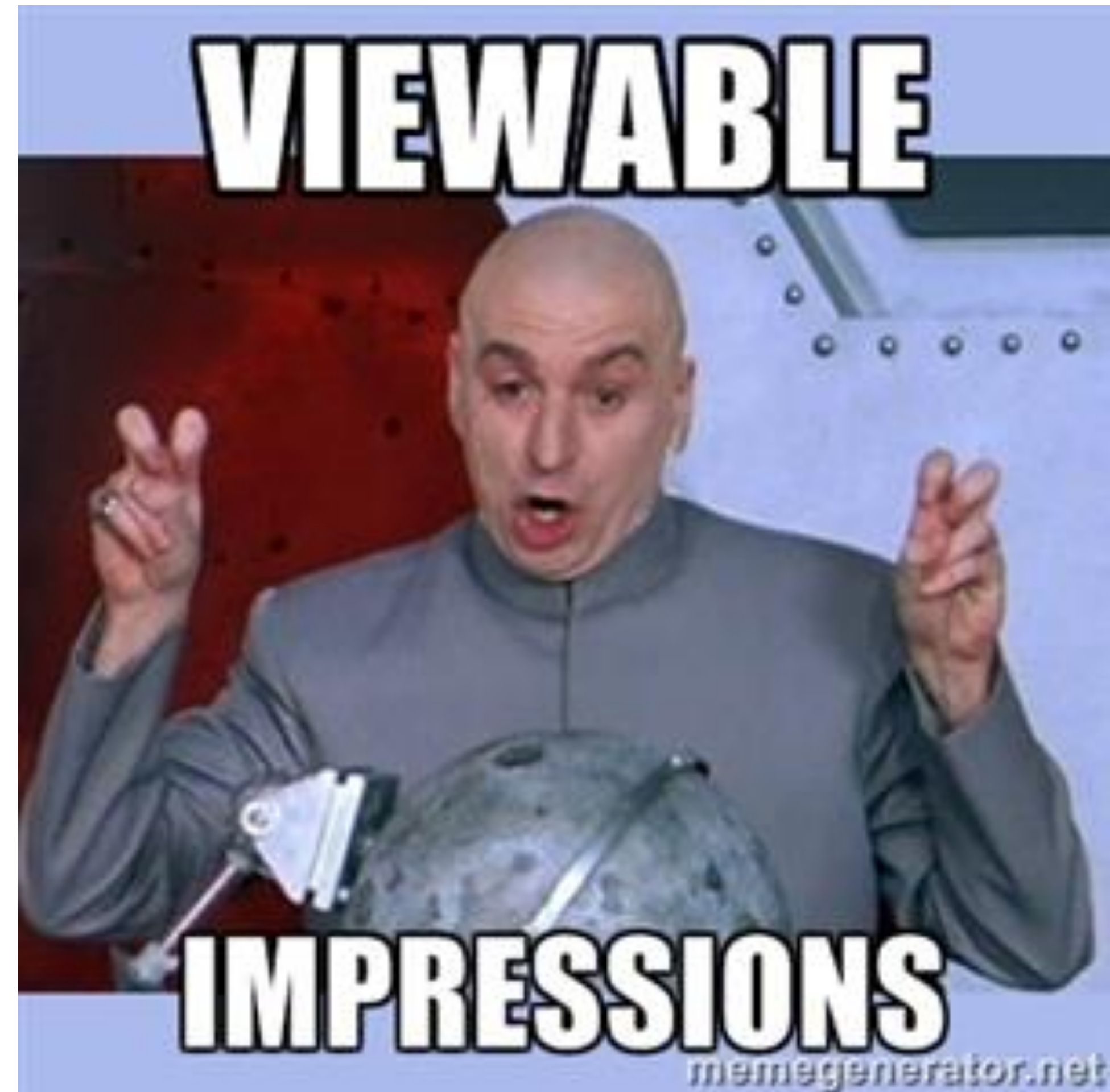
Ad viewability - IAB Poland initiative

Setting **common rules** for demand and sell side

Common definition of ad viewability (50% of ad in visible part of the browser for 1 consecutive second)

Measurement standard & certification

Foundation for transacting on viewable impressions





Programmatic

200 mn PLN in 2015 (est.), 15% of display

Heading for 50% of display in 2017/2018?

CPM steadily rising - following demand

Mostly open auction RTB

Private deals just starting, programmatic guaranteed not there yet

Standard IAB display ad formats

Awaiting video & native formats

Mobile inventory monetization

Publisher sales structure issue: direct sales - programmatic conflict





VIDEO

Video

100 mn PLN in H1'15

20% Top 4 publishers

The rest: Youtube, TV channels (TVN, Polsat, TVP), Facebook

Youtubers: SA Wardęga > 3 million followers

Publisher perspective:

Constant over demand, inventory shortage

Little margin: cost of video production/acquisition only slightly smaller than ad revenue from it

Prevailing formats: preroll & midroll (interactive too)

Video inventory very sensitive to no. & duration of prerolls



NATIVE ADVERTISING



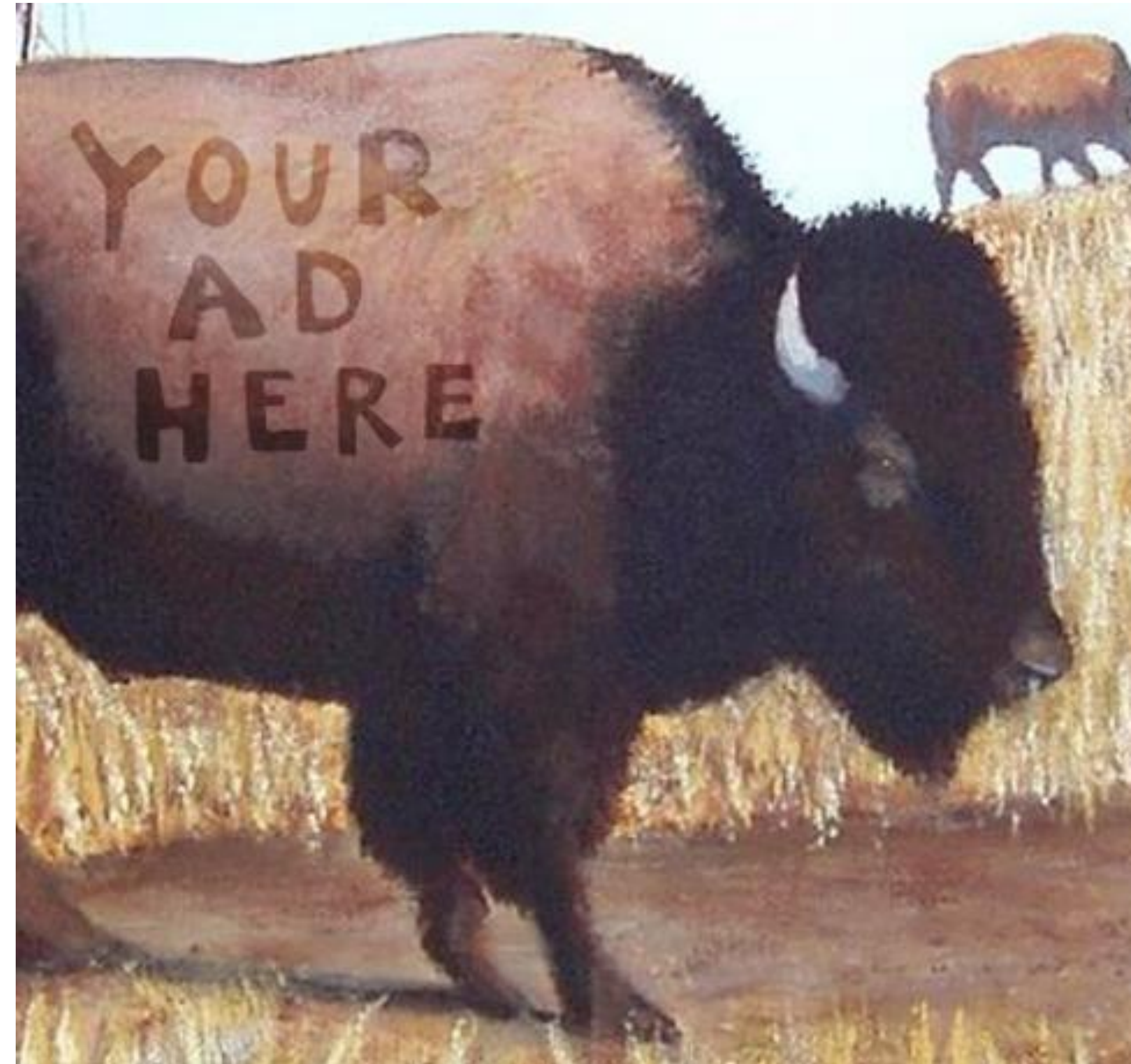
Native advertising

Content marketing: publishers producing, specialized agencies, PR agencies

Native ads (cost-per-click): context ad networks, recommendation ads, performance/retargeting networks

Publisher perspective: still low CPM, but rising, hope for mobile monetization

Programmatic yet to come





Key takeaways

Don't go too far with ads' intrusiveness & size

Prepare for programmatic

- build platforms know-how
- put right organization structure (separate programmatic from direct sales)

Prepare for viewability

- definition and measurement standard/certification
- clear rules for billing on viewability

Video: keep balance between no of ads and user drop-off

Native: programmatic to speed up the whole market



Thank you!

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