



Q1 2015 Agency Insight Survey

Confidence In Video ROI Grows By
43%

Strata's media buying software handles \$50 billion in advertising annually, approximately 25% of US advertising spending. We surveyed our media buying clients to get an idea of trends and challenges they may be facing. This sample is from agencies of varying sizes across the country.

Survey: Confidence In Video ROI Grows By 43%

-- Streaming Video Sites Also See More Interest, Dollars --

Chicago (June 16, 2015) – A survey of advertising agencies found that 44% of agencies are confident they are getting a good value for their recent online video ad purchases, marking a 43% increase from the previous quarter. Meanwhile, the number of agencies still unsure about online video ROI declined by 25% within the same time period. The first quarter survey was conducted by STRATA, the leader in media buying and selling software with over \$50 billion in ad transactions passing through its systems each year.

Reflecting agency confidence in video advertising ROI, 65% of agencies say they are more interested in streaming video sites like Hulu and YouTube than a year earlier, which is also a 12% increase from the prior quarter. Eighty-two percent report it is very important or important to access online video sites such as YuMe, Videology, or Tremor.

According to the survey, agencies are also finding several benefits to programmatic buying. The biggest benefit to programmatic recorded in the survey is the improved ability to reach a targeted audience (46% of agencies), followed by improved efficiency (40%). In contrast, their biggest fear with programmatic is the lack of transparency into inventory sources (49%).

"Whether digital video, or other media types, is bought direct or programmatically, the survey is highlighting the critical need of our clients to demonstrate ROI in a



much more fragmented marketplace,” said Joy Baer, STRATA President. “And as eyeballs continue to migrate, the pressure to effectively and efficiently recapture that reach is a real challenge and one that we’re embracing.”

Agencies also are seeing steady growth in the ad economy. Forty-five percent of agencies see their business increasing in the first quarter compared to the same time last year. Another 53% project their growth in the first half of 2015 to be better than the second half of 2014. Overall, 81% of agencies see their clients’ budgets staying the same or growing. The biggest concern for agencies is client attraction (25%), which replaced media mix (22%) as the top concern for the first time since 2Q14. Agencies are also hiring as 44% say they plan on adding staff this year.

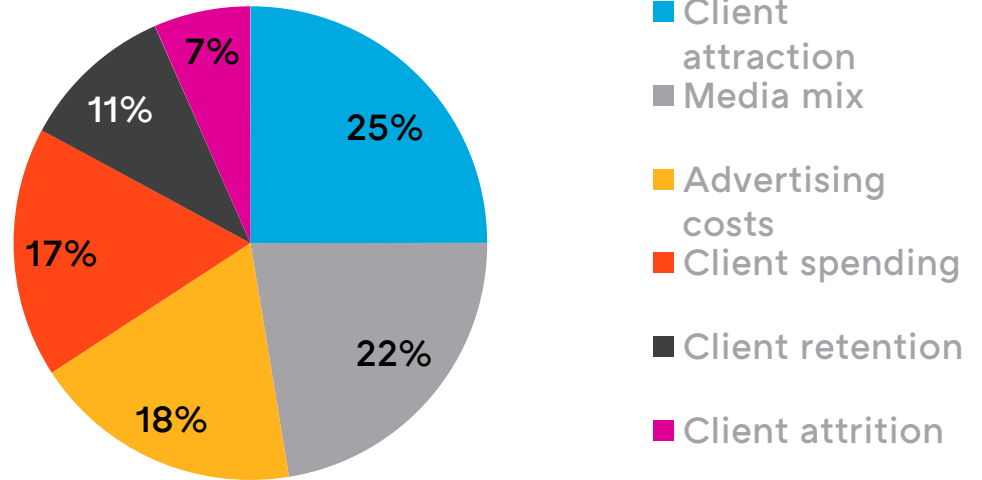
Other findings include:

- 16% of agencies plan to spend at least a quarter of their budget on paid social advertising, the highest number ever recorded in the STRATA Agency Survey.
- 33% say their interest in spot radio is less than it was last year.
- 46% say they are more interested in streaming/online radio than they were last year and only 16% say they are less interested in that medium than a year ago.
- For the first time in the history of the survey, more agencies are focusing their digital ad spend on search (76%) as compared to online display (75%).

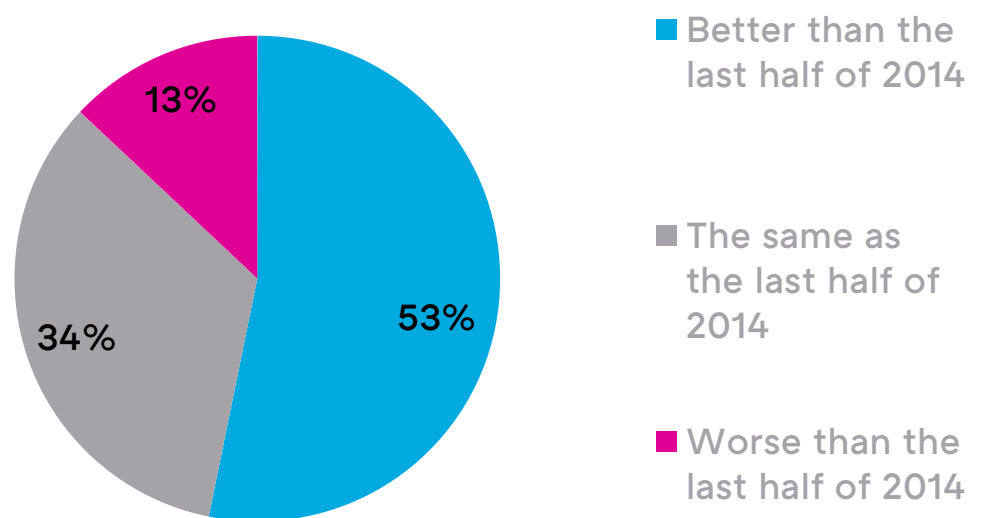


Survey Results

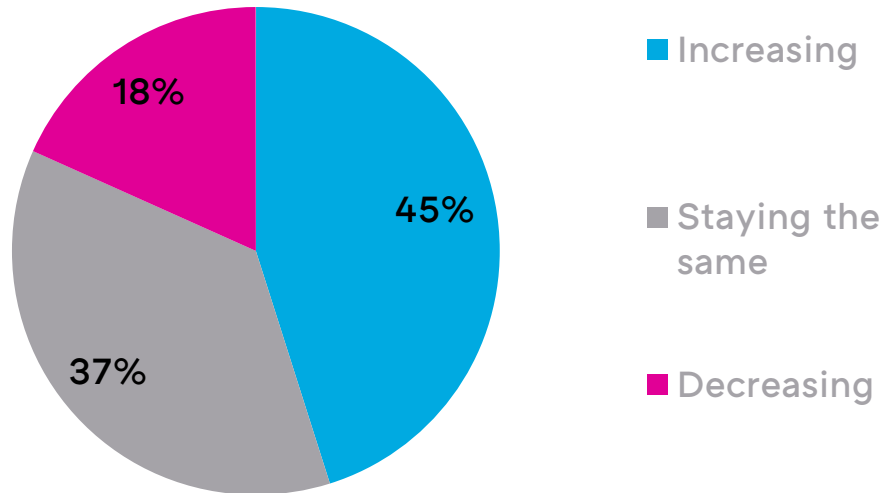
What is your biggest challenge this year? (choose one above all else)



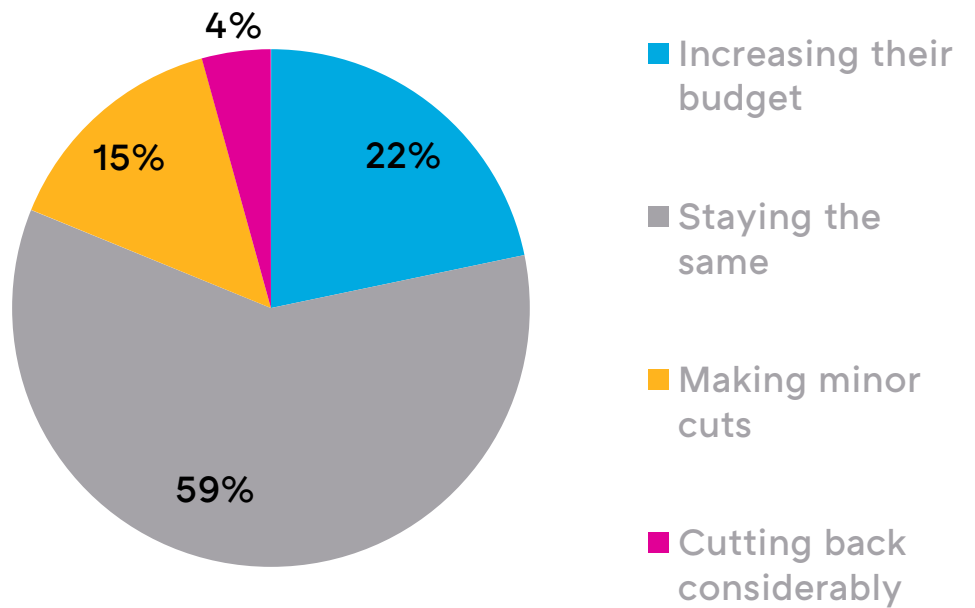
What do you project your growth to be in the first half of 2015?



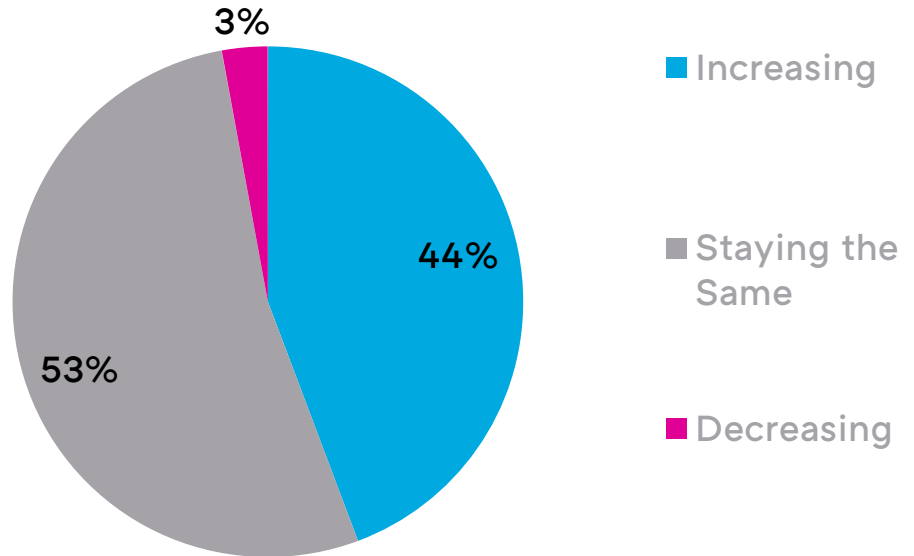
Did you see your business increasing or decreasing in the first quarter over the same time last year?



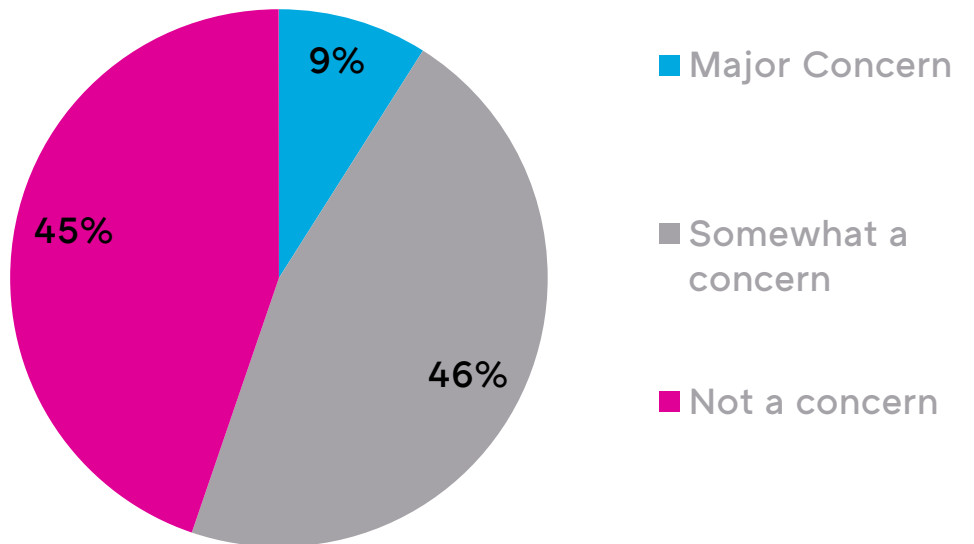
On average, how do you see your customers approaching their Marketing/Advertising planning this year?



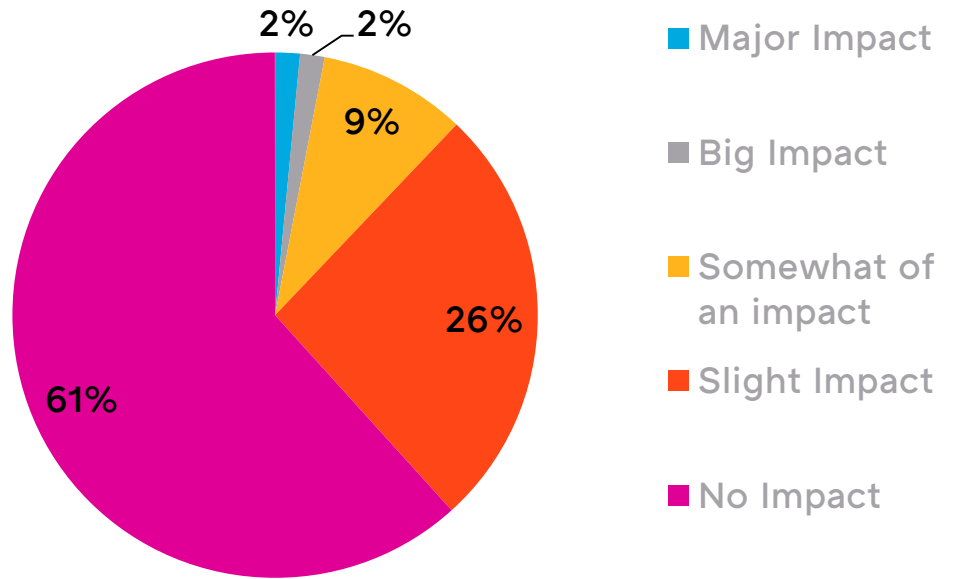
What are your staffing plans for 2015?



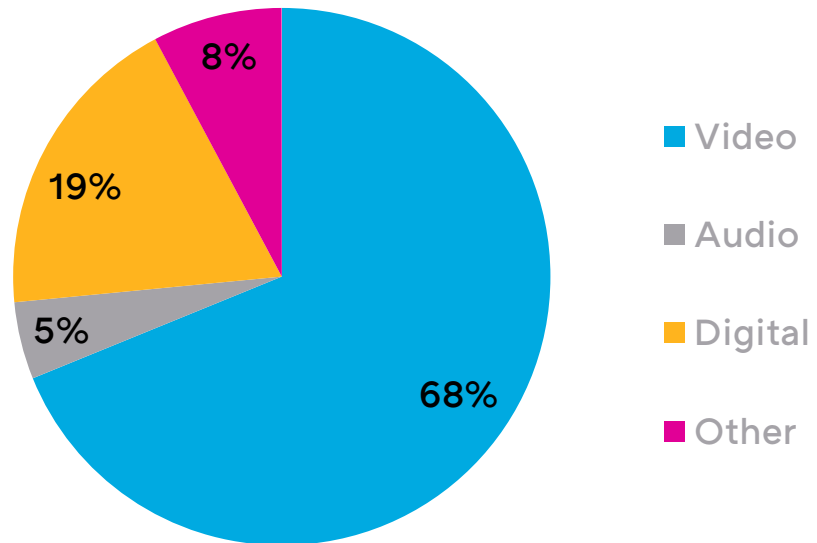
Is ad blocking software a concern for you and your clients?



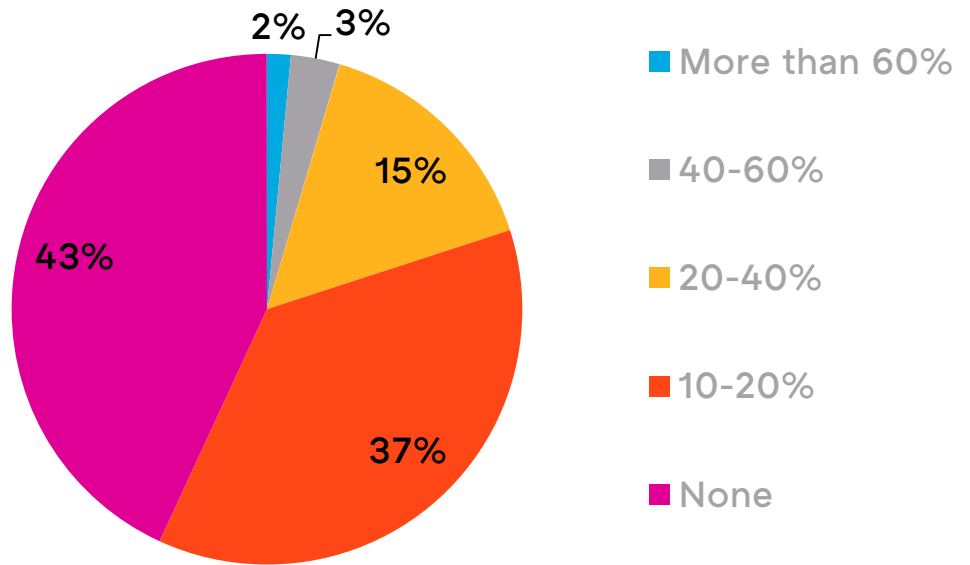
Does ad blocking software impact your ad spend for internet advertising?



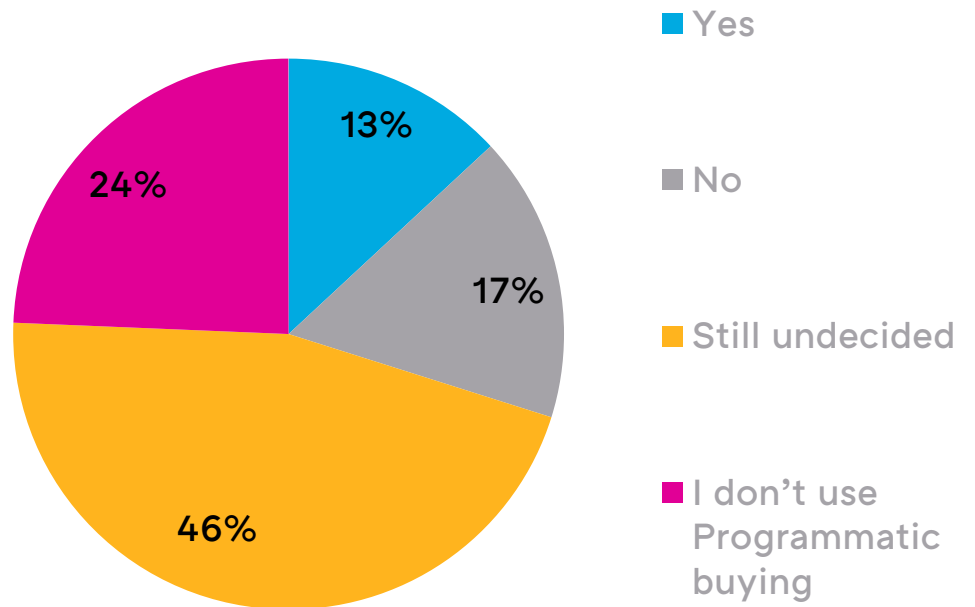
Our clients' main emphasis for campaigns is:



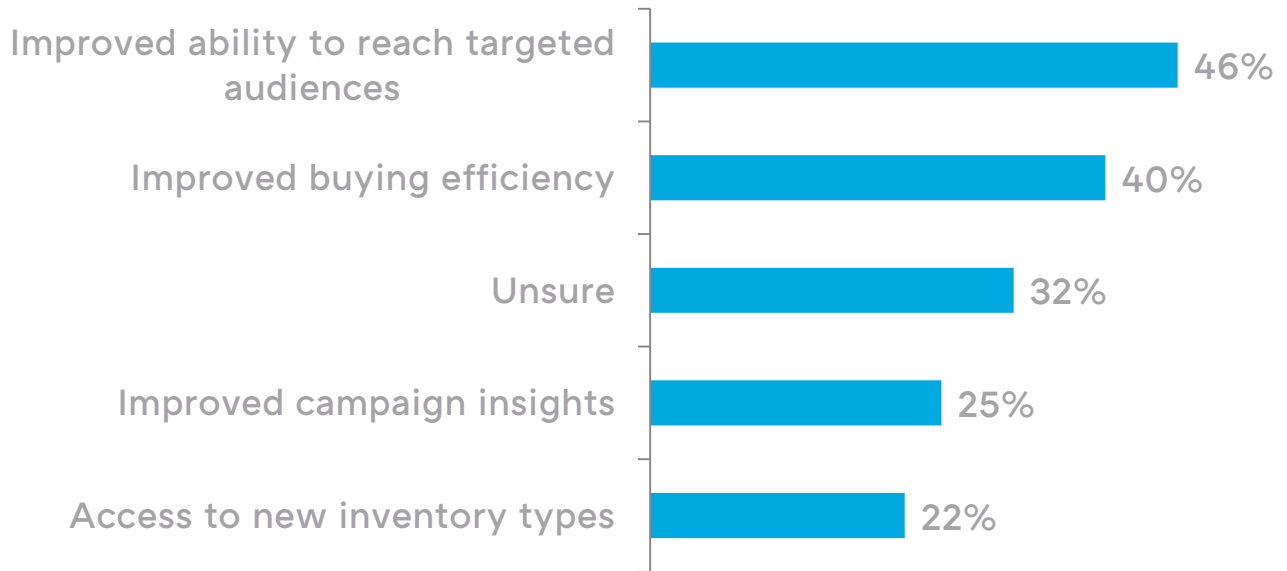
How much of your business do you intend to carry out with Programmatic buying?



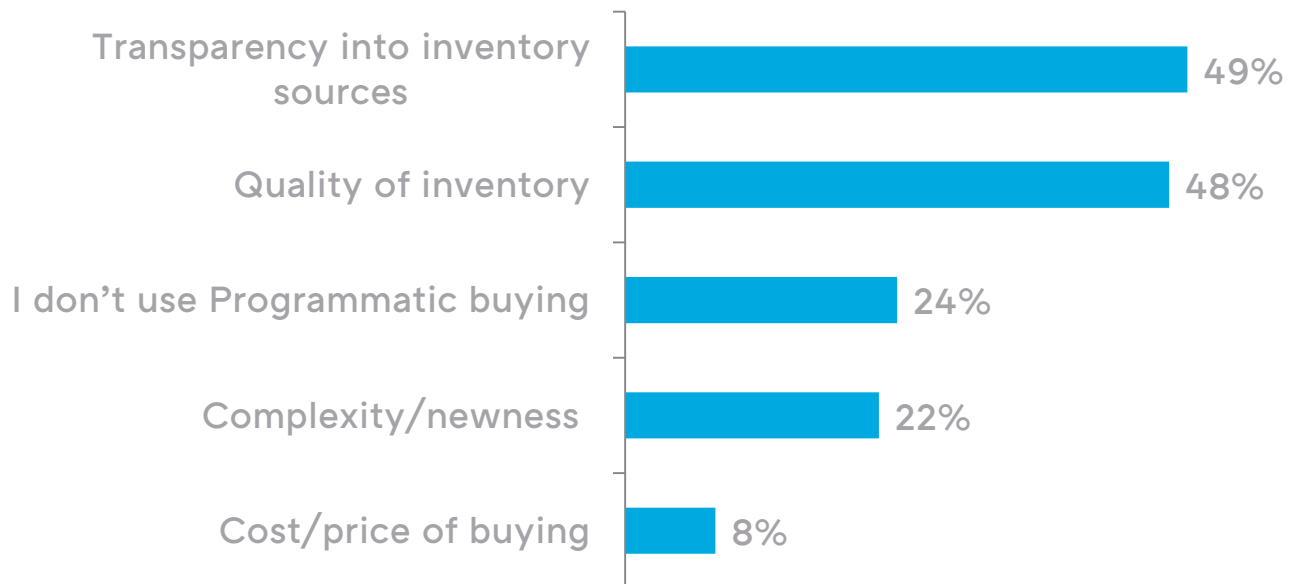
Do you trust Programmatic buying to properly or accurately execute your ad orders?



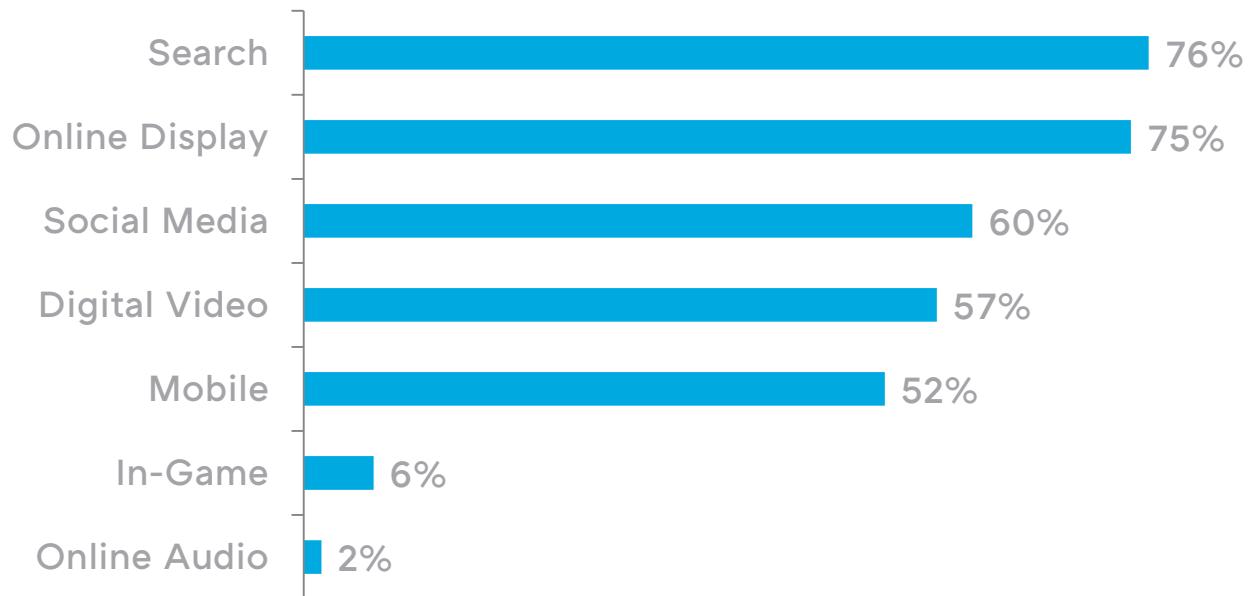
What do you see as the potential benefit of Programmatic buying? (choose all that apply)



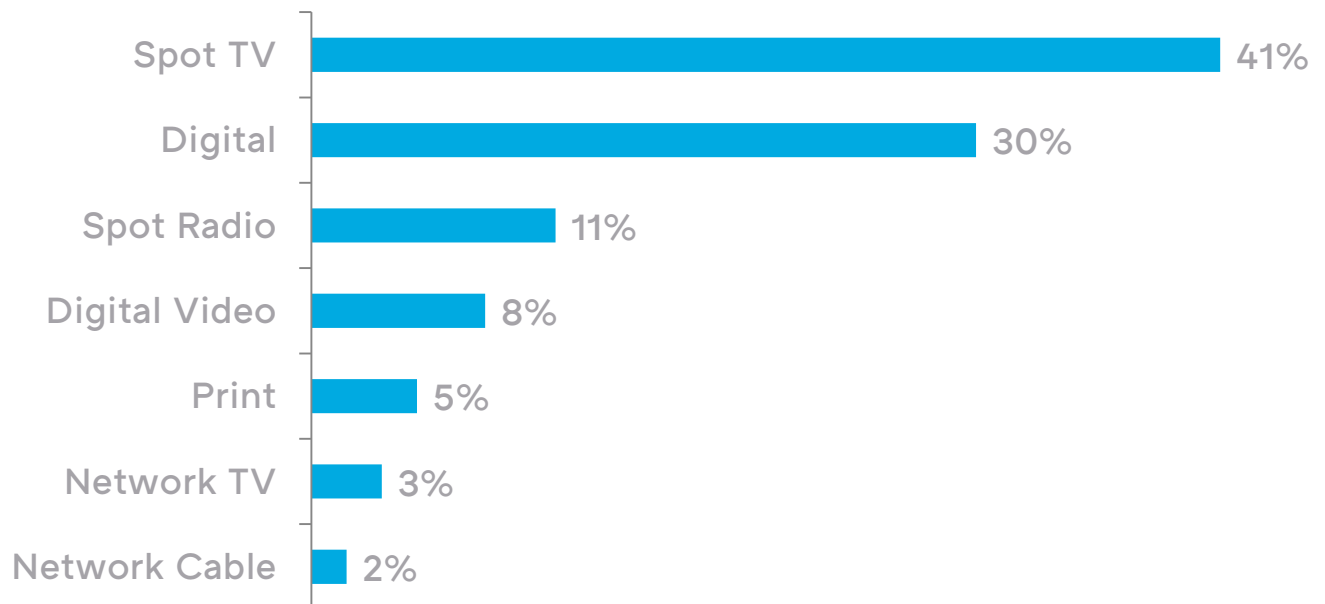
What are your greatest fears associated with Programmatic buying? (choose all that apply)



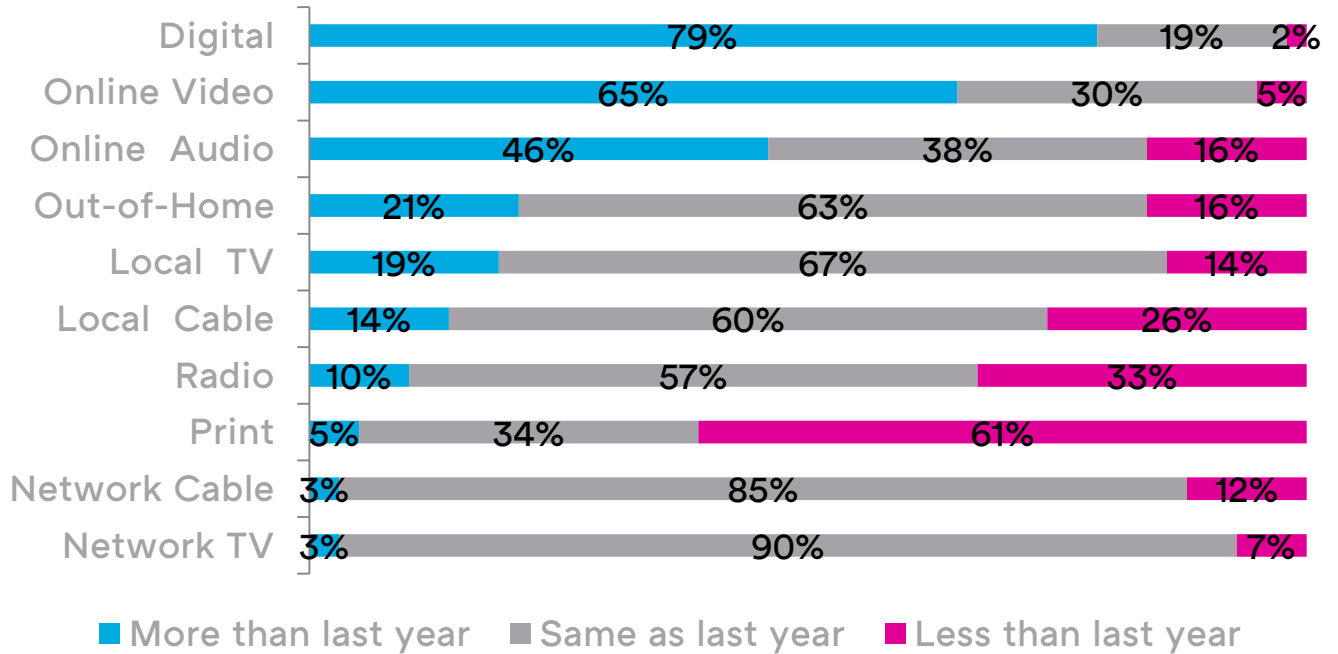
Where do you focus your Digital spend? (choose all that apply)



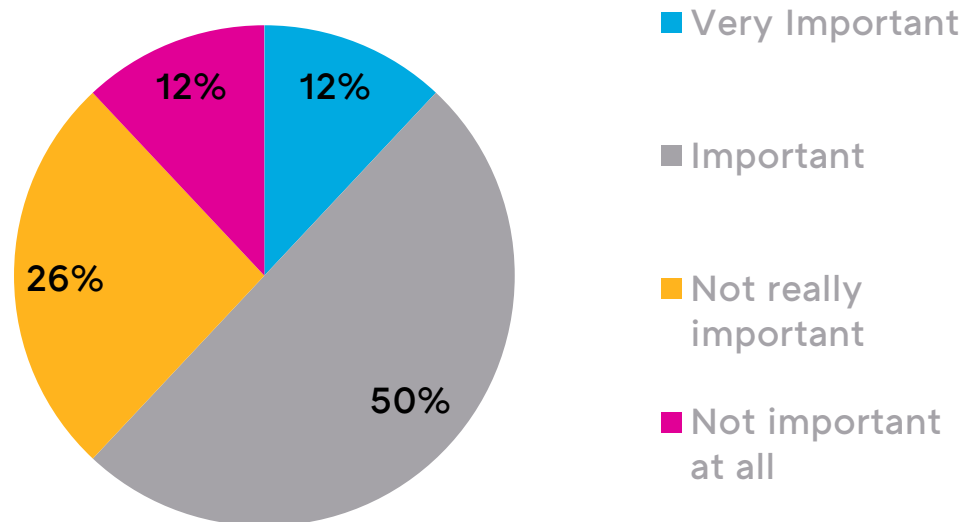
Right now, my customers are most interested in advertising on/in... (one answer only)



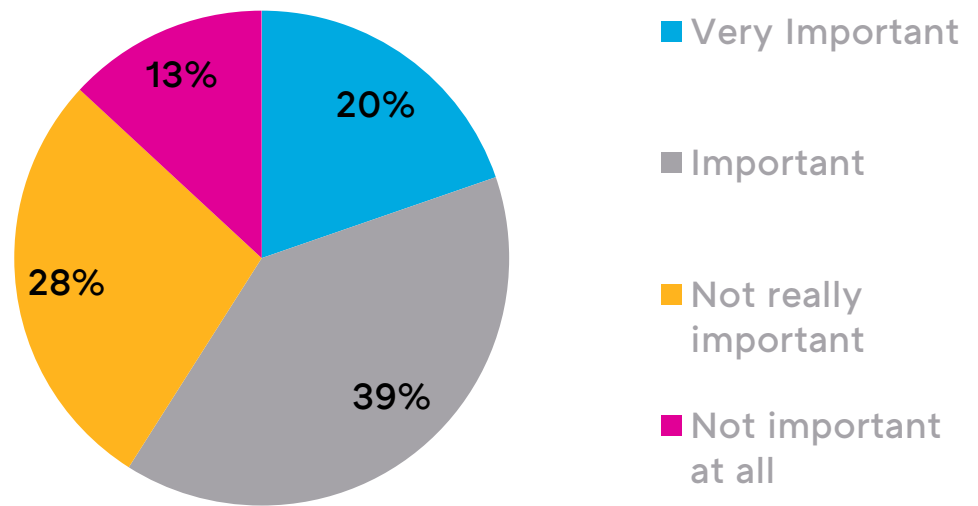
Please rate your clients' general interest in advertising on the following media types: (choose one for each)



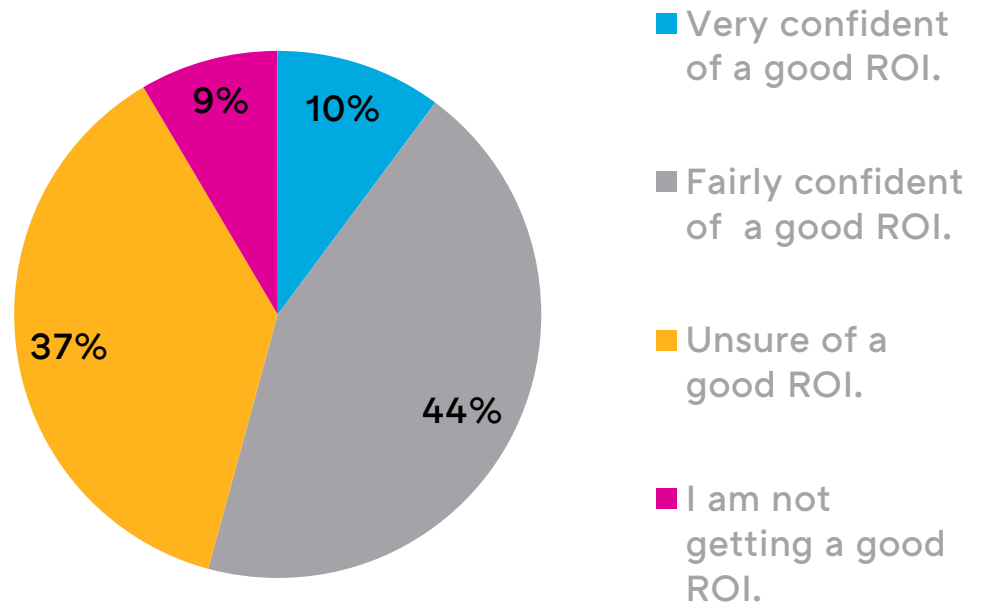
How important is extending your video buy into premium online video from cable/broadcast networks?



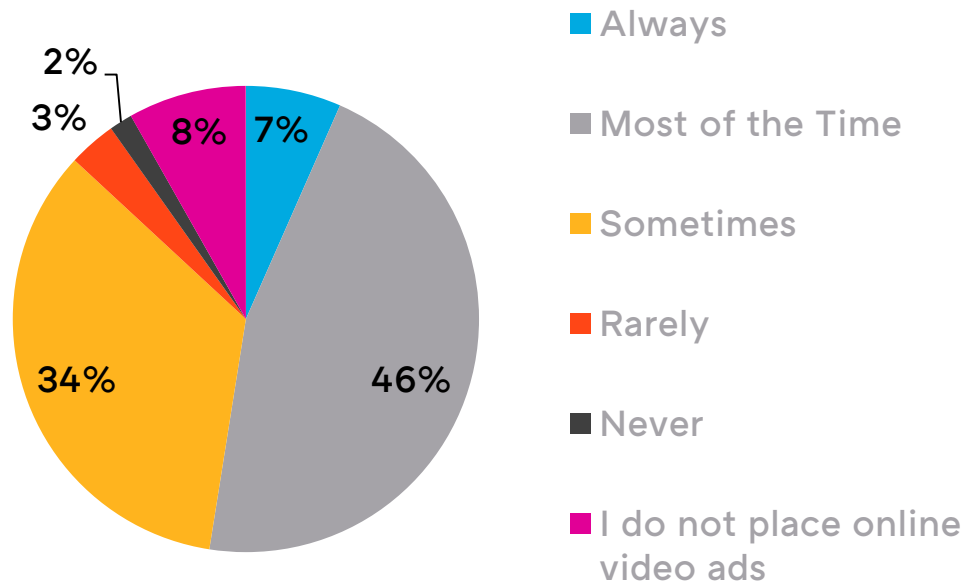
How important is it to access video aggregators/ad networks for additional reach with your online video buy (e.g., YUME, Videology, Tremor etc.)?



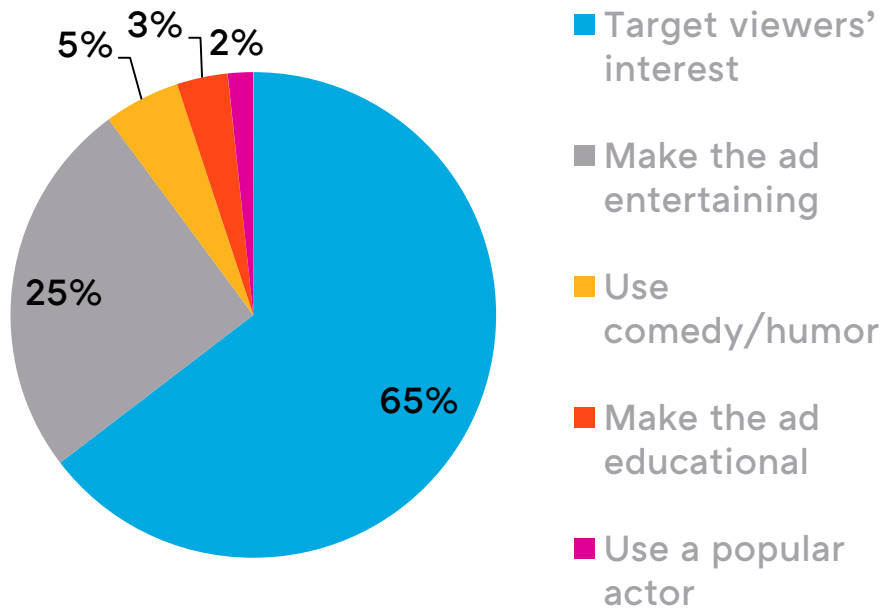
Which best describes your ROI on recent online video ad purchases?



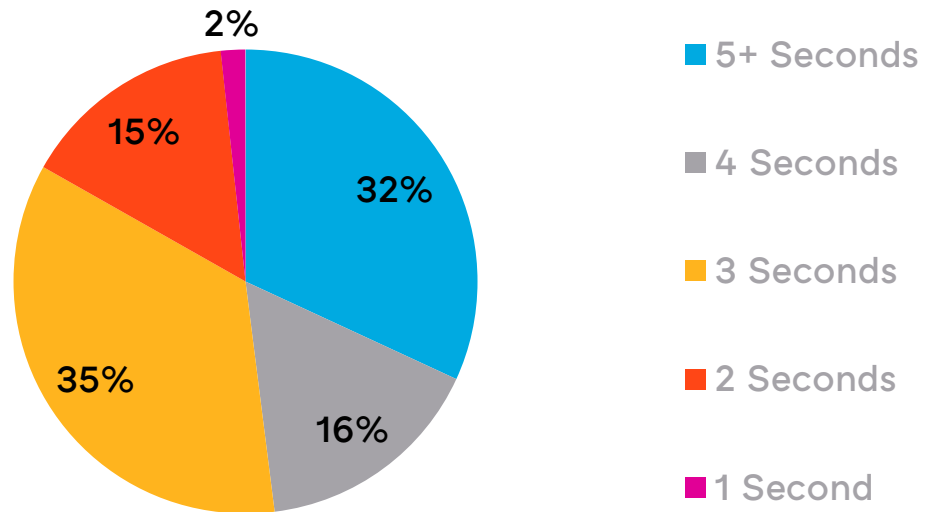
Do online videos ads you place reach their intended audience?



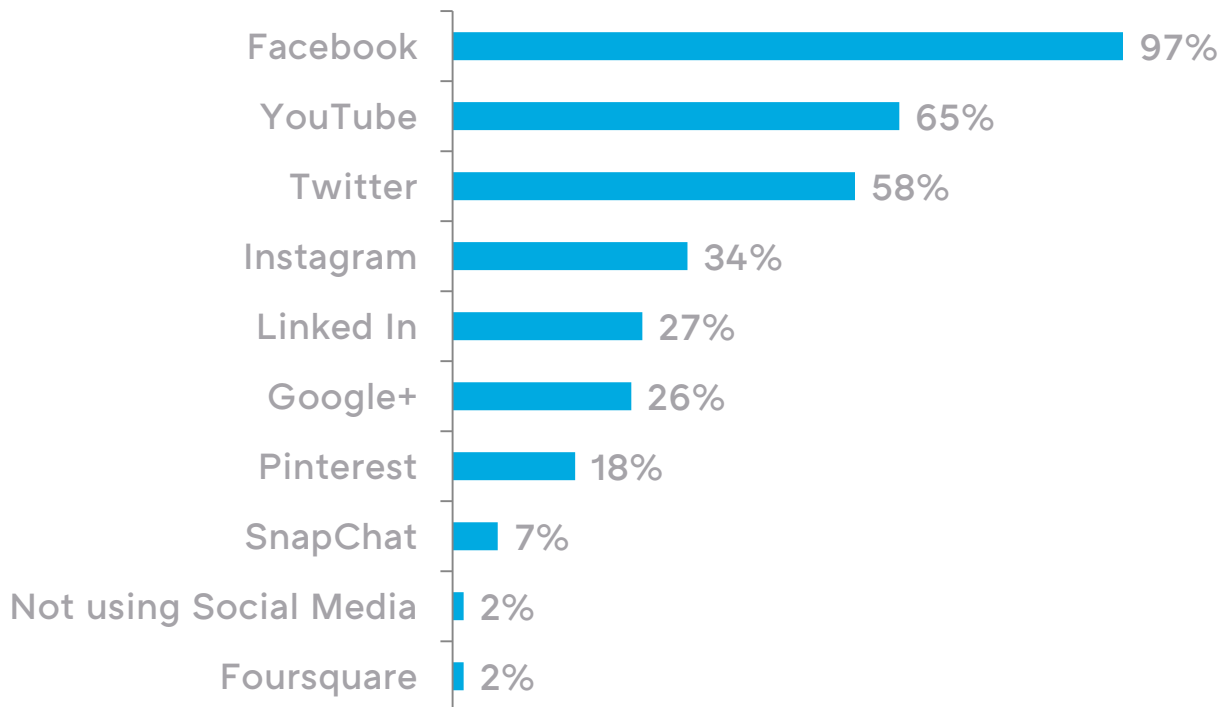
Which technique appears to be most effective in attracting viewers to watch online video ads?



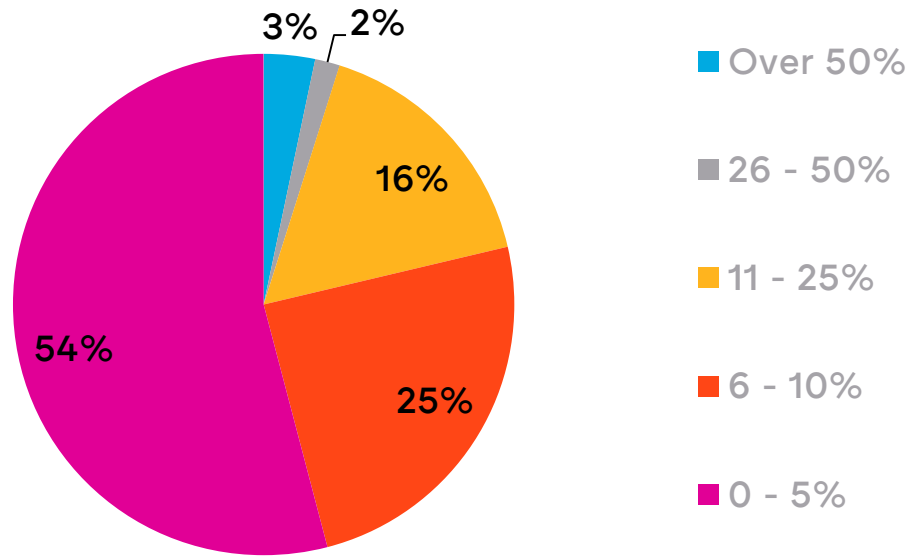
In online videos, how long do you feel it takes for a consumer to recognize the product being sold?



Which Social Media are you most likely to use in your client campaigns? (choose all that apply)



What percent of overall advertising budgets are your clients allocating to paid Social Media?



How often do you use Social Media ad exchanges when purchasing Social Media ads?

