

Real-Time Bidding Spending To Quadruple This Year

Contributed by eMarketer
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Dramatic growth in spending, but from a still-small base

Real-time bidding, with the benefits it brings publishers and advertisers alike, will grow to a \$5 billion business by 2015, International Data Corporation (IDC) predicts.

This year, according to the forecast, US advertisers will spend just over \$1 billion on display ads purchased through the channel, a tiny fraction of total online ad and total display ad sales. But this year's spending represents a 203% increase over 2010, according to the estimate, and growth will continue solidly in the double digits throughout the forecast period.

By 2015, according to the forecast, more than one in four display ad dollars will be spent via real-time bidding. In other countries studied by the IDC, including the UK, France and Germany, spending is expected to follow the same trajectory, if on a smaller scale.

The growth of real-time bidding for purchasing display ads is largely due to its convenience and effectiveness. DIGIDAY and Google found in February 2011 that among marketers and agencies that had already used real-time bidding, more than 90% would continue to spend at least some budget this on year the tactic.

Advertisers worldwide surveyed by Econsultancy cited a variety of reasons for the popularity of real-time bidding, starting with improved performance.

But for optimistic levels of growth to occur, publishers must also open up to the channel. Another DIGIDAY study, conducted with PubMatic in March 2011, found that just 20% of publishers offered ad placements via real-time bidding on their sites, compared with 62% of advertisers that had tried real-time bidding at that point.

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