Real-Time Bidding To Take Ever-Bigger Slice Of Display Pie

Contributed by eMarketer
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Spending to nearly double in 2012

Real-time bidding (RTB) will account for 13% of all US display advertising spending this year, more than triple its share in 2010, according to a new eMarketer report, â€œReal-Time Bidding: Ad Spending Forecast and Future Growth Factors.â€•

Over the next few years, RTB will continue to gain momentum and share of ad dollarsâ€”accounting for a quarter of the display market in 2015â€”as more media buyers and publishers benefit from its efficiencies.

This year, the overall US display ad market will grow 21.5% to $14.98 billion from $12.33 billion in 2011, according to eMarketer estimates from September. In the same year, growth in RTB spending, at 98%, will easily outpace display.

Research firms estimate US RTB digital display ad spending will total between $1.1 billion and $2.1 billion this year, driven by improvements in RTB technology and increased investment from both media buyers and publishers. eMarketer forecasts RTB ad spending will reach $1.9 billion in 2012 as both publishers and media buyers continue to adopt RTB technology at a steady clip. Beyond 2013, growth rates will slow as the programmatic buying landscape settles and matures. Even still, by 2016, US RTB ad spending will reach $7.1 billion.

This is eMarketerâ€™s first-ever forecast for US real-time bidding digital display ad spending. There are four key influences that will determine the growth of RTB: the maturation of Facebookâ€™s private ad exchange (FBX), an expected influx of video and mobile inventory, an anticipated greater availability of premium ad inventory and an overarching demand for better transparency for all of digital display, not just RTB.

As national and global brands look to programmatic buying to more efficiently identify and reach their target audiences for brand-lift measures, an influx of brand dollars is also expected to fuel RTB ad spending. Anticipated advancements in display ad placement transparency and in-view accountability, as well as a rise in the amount of premium inventory made available through exchange channels, will help pave the path to entry for some branding-conscious marketers.

eMarketer forms its forecast through an analysis of estimates from other research firms; survey results from brands, agencies and media publishers; digital and mobile ad spending trends; and eMarketer interviews with executives at ad agencies, brands, media publishers and other industry leaders. eMarketerâ€™s estimates include all display formats, including banners, video and social served to all devices.

The full report, â€œReal-Time Bidding: Ad Spending Forecast and Future Growth Factors,â€• also answers these key questions

- What is real-time bidding?
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- Who benefits from real-time buying?
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- How fast is RTB growing in the US?
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- What factors and industry trends will affect future RTB growth?

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