Mobile Will Lead Digital Recovery for Publishers According to PubMatic QMI Report

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Coronavirus Accelerates Advertising Shift To Mobile, Which Saw Revenue Decreases of only 15% Compared to 25% Decreases for Desktop in Q1 2020

REDWOOD CITY, Calif., May 19, 2020 (GLOBE NEWSWIRE) — Premium digital technology company PubMatic, today announced findings from their Q1 2020 Quarterly Mobile Index report, which shows that mobile advertising was much less affected by the coronavirus pandemic when compared to desktop advertising during the first three months of the year. With an accelerated shift to mobile, PubMatic advises publishers to take the current environment as an opportunity to review their mobile advertising setup and make adjustments to maximize their mobile performance as the economy improves.

“Coronavirus has shifted consumer behavior towards mobile. As the economy recovers, advertising will follow, giving publishers with advanced mobile advertising capabilities an advantage,” said Paulina Klimenko, SVP of Corporate Development and General Manager of Mobile at PubMatic. “While recent surges in viewership will likely recede through the summer and as stay-at-home orders ease, the preference for mobile will remain, which will drive advertisers to mobile over the long term.”

PubMatic’s study shows that several key trends emerged as the pandemic took hold around the globe during February and March:

- **Mobile volume is steadfast**. Mobile impression volume on publisher sites was flat between pre- and post-COVID 19 impact, as well as quarter-over-quarter, while desktop volume declined. In-app content consumption is up as a result of the pandemic, with in-app viewership surging above volumes seen during the 2019 holiday season.
- **Shift from desktop to mobile is accelerating**. Mobile was less impacted by coronavirus, with ad spending falling 15% post-impact (vs. desktop ad spending, which fell 25%). As a result, the shift in share from desktop towards mobile is happening at a quicker pace than before the pandemic. Total mobile share of global ad spending reached 51% by the end of Q1 from 48% at the beginning of March before the onset of the global pandemic.
- **In-app PMP ad spending expands across all regions.** Advertisers swung budgets to in-app PMPs, away from the open market. Within the first 5 weeks after lockdown, in-app PMP spending nearly doubled in each market: +99% in Americas, +96% in EMEA, +167% in APAC.
- **Mobile video ads contracted more than display.** As one of the most expensive offerings, mobile video was first to be cut as advertisers slashed spending. Mobile video ad spending declined 27% whereas display fell 12% after impact. However, mobile video spending was expanding so quickly before the crisis that mobile video ad spend declined less than display in the quarter overall.

“The downturn that we are experiencing as a result of COVID-19 presents app-developers with a unique opportunity to review their mobile advertising set-ups to improve upon inefficient auctions and to push for more transparency and accountability with partners. To reduce fraud risk inherent in in-app environments, app-developers should also consider the benefits of offering PMP buying to advertisers,” said Klimenko. “Making these improvements now will offer publishers the greatest opportunity for strategic growth in the coming months.”

Download the full Q1 2020 Quarterly Mobile Index report here.

QMI Methodology
PubMatic’s yield and data analytics team analyzes over 15 trillion advertiser bids on a monthly basis, utilizing the company’s best-in-class analytics capabilities. The Q1 2020 QMI incorporates impressions, revenue and eCPM data from these reports to provide a high-level analysis of key trends within the mobile advertising industry. Analysis is based on PubMatic-sourced data except as noted. Percentages in some figures may not sum to 100% due to rounding. “Monetized impressions” or “paid impressions” are defined as impressions that were sold through the PubMatic platform, and “eCPM” is defined as the cost per one thousand impressions.