

92% Of European Consumers Demand Improvement To Online Video Advertising

New Research Indicates Video Ad Experience Could Be Improved By Shorter, Better Targeted, More Interactive Ads

AMSTERDAM--(BUSINESS WIRE)-- Nine out of 10 (92%) European consumers agree that changes need to be made to current online video advertising in order to improve the viewer experience, according to a new survey of 4,000 consumers in the UK, France and Germany, which was commissioned by online video solutions provider, <u>Brightcove Inc.</u> (NASDAQ: BCOV).

When asked to pinpoint their specific objections to video advertising, consumers cited irrelevancy, volume and poor delivery - with 67% choosing to stop watching their selected content as a result of one of these issues. Additional questions around the online video advertising experience revealed that:

- 1 73% have experienced poor video ad delivery (i.e. buffering, failing to load)
- More than half (51%) are frustrated by the number of online video ads
- 1 74% have had a negative experience with the content of an online video ad
- Over a third (36%) rarely or never see an ad relevant to their personal interests

The findings - published in Brightcove's *The Ad-Verse Consumer: European Video Advertising Tolerances in a Digital Age* - highlighted that, while many respondents agree that the range (54%) and quality (47%) of online video content has improved in the last year, video advertising has struggled to keep pace:

- 1 73% say the quality of video ad content has remained unchanged or declined
- 1 72% say the range of video ad content has remained unchanged or declined
- Nearly a quarter (23%) say the volume and frequency of video ad content has worsened

B-Ad Blockers
82% know what an ad-blocker is
Of this number
51% are using or have downloaded one
23% are considering using one
Top reasons for downloading
Ads were too long (56%)
Ads were irrelevant (45%)
Ads weren't interactive (20%)

Against a backdrop of increasing adoption of ad-blocking technologies, the findings suggest that publishers need to change their approach to monetising online video content or risk losing out on viewers and associated revenue. However, with 50% of consumers admitting that they are not willing to pay for any type of online video content, simply switching to a subscription model does not appear to be the answer.

Mark Blair, Vice President of EMEA at Brightcove, explained, "At Brightcove we believe that consumers absolutely have the right to avoid broken, annoying and intrusive ad experiences but, at the same time, companies have the right to monetise and promote the content they put a lot of money into producing. The key to marrying the two is finding a balance - improving the user experience so they are more willing to accept ad content.

"It should encourage the industry that two thirds (66%) of the consumers who participated in the study say they understand and agree that it is fair for publishers to use online ads to fund free content. But with only one in ten (11%) saying they always have positive experiences with the online ads they are served, the room for improvement is clear." When asked for their opinion on the top improvements that could be made, participating consumers called for the following:

- 57% would like video ads to be shorter
- 1 41% would like the ability to fast forward through the ads
- 1 21% would like video ads to be more targeted at them
- 1 58% would be more likely to tolerate an online video ad if it is interactive

Further findings from the research are detailed in the full report which can be downloaded here: <u>http://go.brightcove.com/media-emea-ad-tolerances</u>

Notes to Editors:

Research Methodology

Vanson Bourne, the research firm that conducted the survey, interviewed 4,000 online video content viewers over the age of 18 years old in the following countries: the UK, France and Germany (2,000 respondents in the UK, and 1,000 from each of France and Germany). Fieldwork was conducted in April-May 2016.

About Brightcove

Brightcove Inc. (NASDAQ:BCOV) is the leading global provider of powerful cloud solutions for delivering and monetizing video across connected devices. The company offers a full suite of products and services that reduce the cost and complexity associated with publishing, distributing, measuring and monetizing video across devices. Brightcove has nearly 5,000 customers in over 70 countries that rely on the company's cloud solutions to successfully publish high-quality video experiences to audiences everywhere. To learn more, visit <u>www.brightcove.com</u>.

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