The **Ad Blocker** Experiment: Part One

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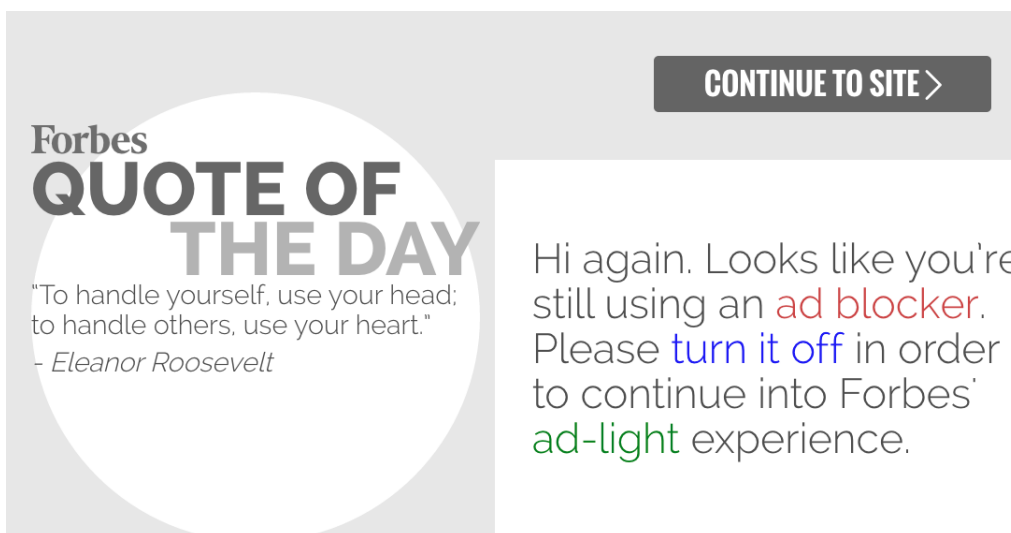and Hannah Redmond

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Ad blocking software has [finally taken hold](#) in the United States after being popular internationally for a couple of years. Available on both desktop and mobile, it's changing the game for publishers and advertisers.

What is ad blocking?

Ad blocking, in technical terms, is the act of selectively downloading material when visiting a website or using an app, thus "blocking" the unwanted items from loading. Most often this refers to ads, but it can cover anything, like embedded media, social widgets or tracking beacons. Ad blockers have two different models to make money themselves: the first is to work on a "whitelisted" approach which takes out <u>most</u> ads and where companies can pay to be whitelisted; the other is ad blockers that block ads, but track your data and then repackage that to companies to better understand who is blocking the ads.

Ad-blocking apps are widespread. According to the recent Meeker report, 93% of consumers consider using ad blocking software and 81% mute video ads.

Publishers specifically have been fighting against the trend to help ensure they are getting the advertising revenue they need to run. Some have been putting up roadblocks to either block content for those users or encourage digital subscription.

Our Experiment

Being marketers sitting in ad agencies, it is our job to both understand the consumer experience but also to see what's in the market from an advertising perspective (competitors, etc), so ad blockers are not something we typically have active on our browsers. However, knowing that consumers are blocking ads now at an increasing rate, it's important for us to understand this newer experience. So a couple of us ran an experiment: install an ad blocker for one week to see how that would affect our online experiences. Here are some of the key learnings from this experience:

- **We still saw products, video, reviews, and headlines,** it was just shared by friends and celebrities we follow.
- **Getting road blocked by major publishers like Forbes and Wired was annoying.** Giving us an "ad block light" didn't feel like an authentic ad-blocking experience.
- **We began to "clean house" and started to unfollow and unlike brands, celebrities, and publishers that we had opted into months, even years ago.** If the content wasn't super engaging, newsworthy, or relevant, we realized the poor quality of content some social accounts were feeding me.
- **We didn't miss seeing ads.** We realized more than ever how disruptive and annoying most digital display ads truly are.

Alternatives to Digital Display for Advertisers:

Native Ads:

Instinctive is one of the companies ahead of the curve today with seamlessly delivered native units showcasing quality branded content. Not only does it mean a better user experience, but it also delivers better performance, more engagement and stronger brand awareness for advertisers. By 2021, native display ad revenue in the US, which includes native in-feed ads on publisher properties and social platforms, is projected to make up 74% of total US display ad revenue, up from a 56% share in 2016.

Streaming Ads:

Although possible, it's more difficult for users to block streaming ads. Podcast ads are increasingly frequent with 21% of Americans ages 12 listening to a podcast in the last month -- up from 17% in 2015. Monthly podcast listenership has increased 75% since 2013.

Influencer Marketing:

Influencer marketing has becoming a more challenging space due to increased disclosure requirements, but it still remains one key way to reach consumers and break through ad blockers. Many brands are paying influencers to create assets they can use across broader campaigns and not just one-off posts or tweets.

Word-of-Mouth Marketing:

Brands need to consider how to create content that encourages and incentivizes sharing from consumers, whether because of content quality, entertainment value, or reward. This creates an authentic mention of a brand that will still show up in social and digital feeds.

Additional Reading:

- http://techcrunch.com/2016/01/16/ad-blocking-a-primer/
- http://www.recode.net/2016/6/7/11872790/mary-meeker-online-ads-suck-
- http://www.cbsnews.com/news/ad-blockers-have-media-companies-in-a-bind/
- http://www.wired.com/2016/03/heres-how-that-adblocker-youre-using-makes-money/
- http://www.businessinsider.com/the-native-ad-report-forecasts-2016-5