

Lack of Understanding Limits In-App Header Bidding, For Now

Article

H eader bidding, a specific implementation of programmatic advertising that allows ad buyers greater access to publisher inventory—even inventory once set aside for direct advertisers—is making it easier for ad buyers to access premium app inventory, but before mass implementation can occur, server-to-server issues must be sorted out.

“Right now, the industry is in the super early stages of in-app header bidding,” said Anne Frisbie, senior vice president of global brand and programmatic at mobile ad exchange InMobi. “A very low percentage of inventory is flowing today via header-bidding scenarios. And it’s going to be a small percentage of inventory for the next few years because it’s so new, and there’s a lot of learning that needs to go into it.”

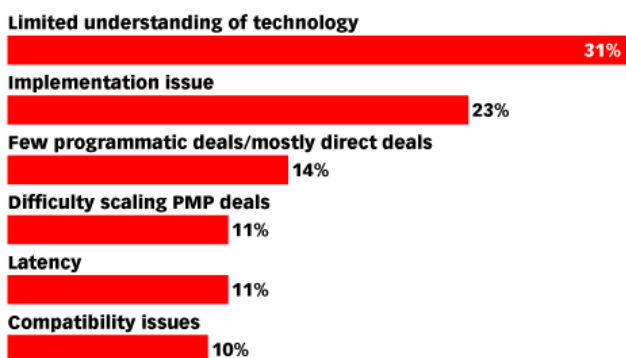
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Header bidding is a specialized form of automated ad selling, and while it has grown common in recent years, it is not well understood. eMarketer’s Lauren Fisher and Ross Benes discuss the ways that publishers and ad buyers are using header bidding, why it has grown, and why it may not spread much beyond its current use.

Survey research conducted by InMobi confirms Frisbie’s assertions. A survey of 130 InMobi and AerServ publisher partners in North America conducted by the firm from June to July of this year found that 31% of respondents said a limited understanding of in-app header bidding technology prevented them from adopting it. An added 23% of respondents cited implementation issues, which might be attributable to a lack of understanding of the tools and technology.

What Is the Main Factor that Prevents App Publishers in North America from Using In-App Header Bidding?

% of respondents, July 2018



*Note: among respondents not currently using in-app header bidding
Source: InMobi, "Header Bidding Research Report 2018: The Current State of Mediation and In-App Header Bidding," Sep 24, 2018*

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These and other header-bidding-related trends are explored in eMarketer’s latest report, “Header Bidding Update 2018: What’s the Outlook for Web, Mobile App and Video?” The

report highlights the current state of header bidding and the most common ways these programmatic deals deliver higher CPMs for publishers. The report also explores how header bidding has changed the rules of programmatic auctions—and highlights what advertisers need to know now.

eMarketer PRO subscribers can read the full report now.

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