

Advertisers Have Mixed Confidence in Blockchain

ARTICLE | **SEPTEMBER 26, 2018**

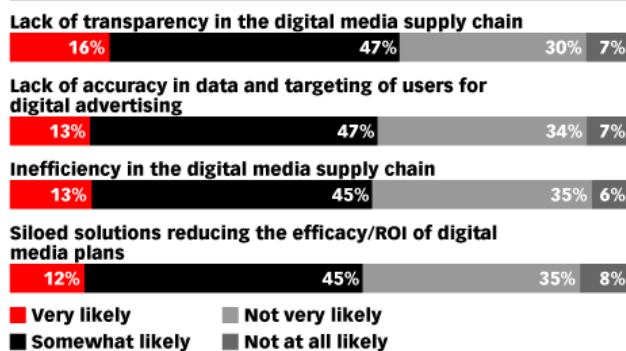
Ross Benes

Blockchain's distributed ledger could potentially revolutionize digital advertising. But advertisers are cautious about whether the emerging technology will improve things.

In a May 2018 survey from [Advertiser Perceptions](#), [XChng](#) and [Kochava](#) of 300 US agency and marketing professionals, only one in seven respondents believed that blockchain was very likely to solve inefficiency and transparency problems in the digital media supply chain. About 40% of respondents said that blockchain was not very likely or not at all likely to solve these problems. Most agency and marketing professionals said that blockchain was only somewhat likely to fix supply chain issues.

What Issues Do US Agency and Marketing Professionals Think Blockchain Tech Is Likely to Solve? May 2018

% of respondents



Note: among those involved in digital/mobile advertising; numbers may not add up to 100% due to rounding

Source: Advertiser Perceptions, "Omnibus Study: May 2018," Sep 14, 2018

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In the [Gartner hype cycle](#), blockchain sits just past “peak of inflated expectations” and is on the downward slope toward “trough of disillusionment.” While it could make online advertising more transparent, blockchain doesn’t currently operate quickly enough to work in the fast-paced world of programmatic bidding. Only 11% of those polled by Advertiser Perceptions said that they have used blockchain in their ad buying.

Blockchain is attractive to some advertisers because it can make transactions immutable, but its application is limited since it is not designed for platforms with millions of transactions per second. Until the technology gets faster and adoption accelerates, blockchain faces an uphill battle in fixing ad tech problems.

In studies by Deloitte and PwC, company executives reported that regulatory uncertainty is the [biggest barrier limiting blockchain adoption](#). Other common factors that limit investment in blockchain include difficulty in adapting it to fit legacy systems and potential security threats.

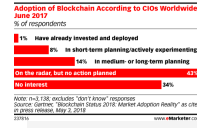
However, 43% of the senior executives worldwide polled in [Deloitte’s study](#) said that blockchain is in their company’s “top 5 strategic priorities.” Some 41% of respondents in the Advertiser Perceptions survey said they plan to adopt blockchain within the next two years.

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Blockchain's Promise

