

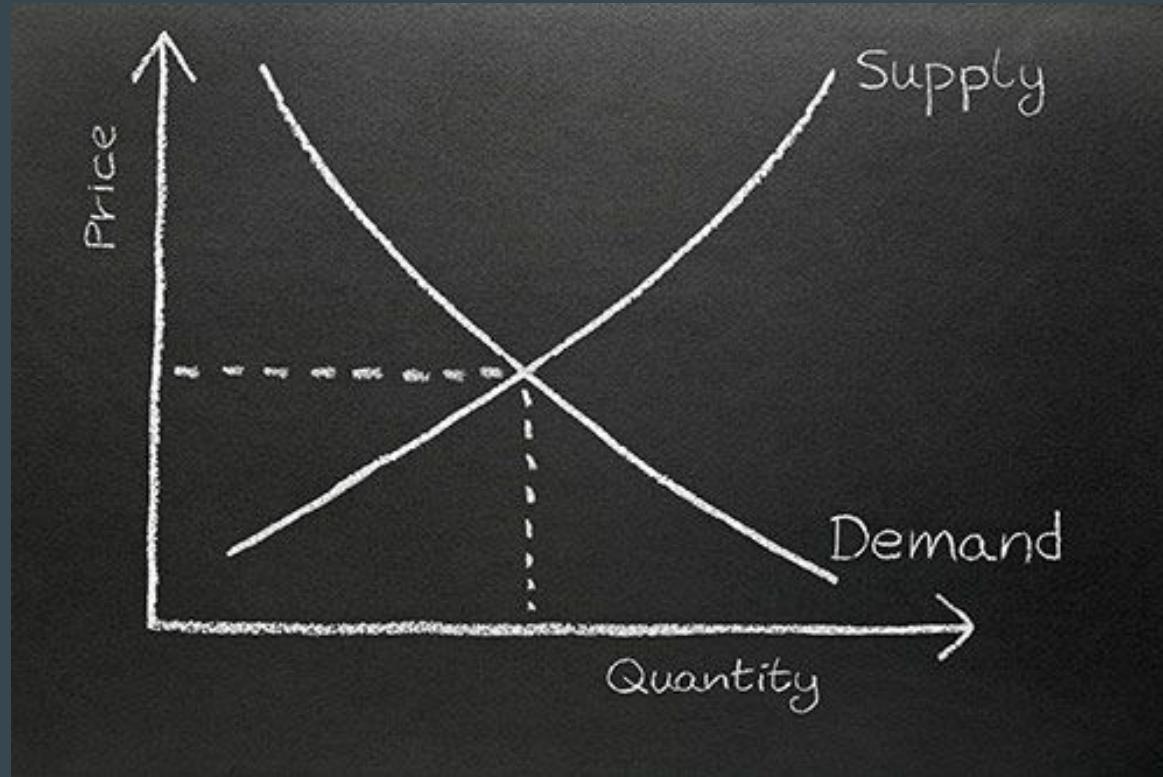
How AdTech Broke Econ 101



Confronting the Realities of Supply & Demand

Erez Levin

Econ 101 Refresher: Supply & Demand

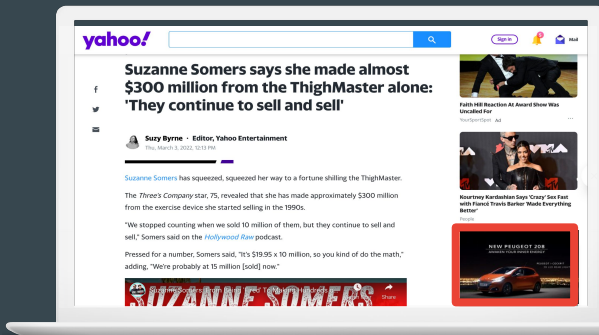


AdTech Refresher - Operating Principles & Practices

- Attribution is next to Godliness
- Correlation = Causation
- A bird in the hand
 - Short > Long
- What can't be measured doesn't matter
 - Measurable is Always Better
- “Outcomes” Matter
- Say one thing, do another
- Supply is infinite

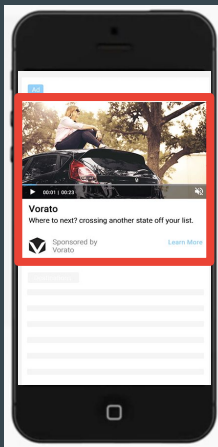
Understanding the Programmatic Video Landscape

Ad 1 - Muted Sticky **Outstream** Video



Ad 1
Avg. Score

1.8



Ad 3
Avg. Score

4.6

Ad 3 - mWeb
In-Article
Outstream
Native Video
(muted)

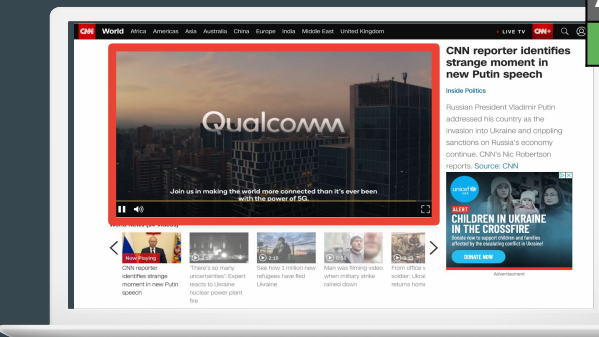
Ad 5 - **Outstream** Video
App Interstitial (e.g.
between gameplay)



Ad 5
Avg. Score

6.9

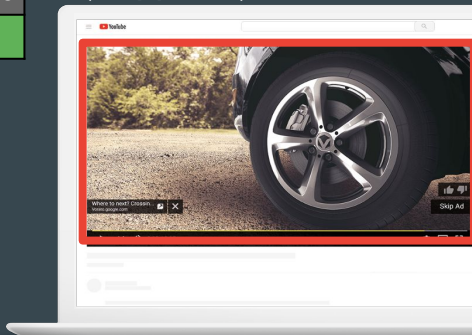
Ad 2 - Non-skippable **Instream** Video



Ad 2
Avg. Score

7.7

Ad 4 - YouTube TrueView
(skippable) **In-Stream**



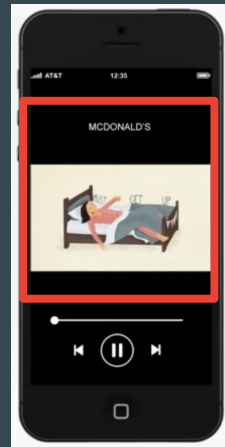
Ad 4
Avg. Score

7.8

Ad 6 - Spotify
Opt-In
Outstream
Video
(Rewarded)

Ad 6
Avg. Score

7.6



In-Stream vs. Outstream Video

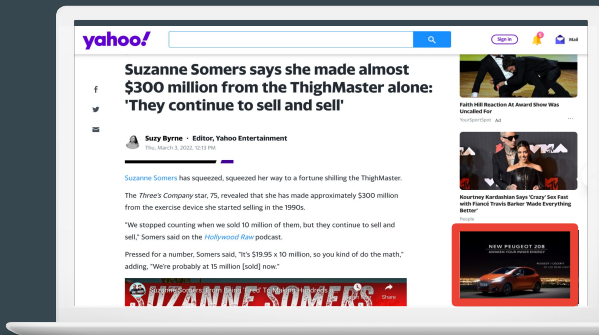
Previous IAB definition of In-stream (paraphrased):

“The ad is delivered *as part of a continuous video stream* that the user has actively chosen to watch, *signaling strong consumer intent to view the video.*”

Outstream = everything else (e.g. videos that play in between paragraphs of text, in a social feed, in between levels of a game, etc.)

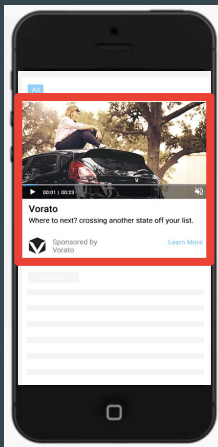
Understanding the Programmatic Video Landscape

Ad 1 - Muted Sticky **Outstream** Video



Ad 1
Avg. Score

1.8



Ad 3
Avg. Score

4.6

Ad 3 - mWeb
In-Article
Outstream
Native Video
(muted)

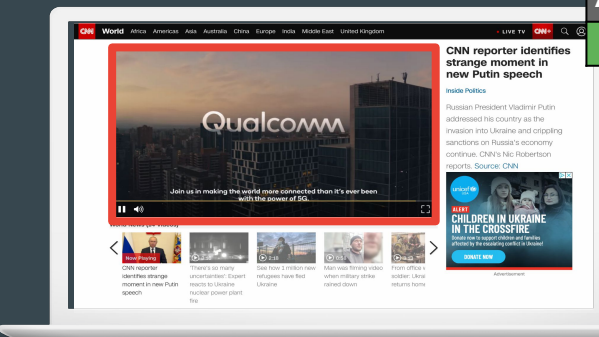
Ad 5 - **Outstream** Video
App Interstitial (e.g.
between gameplay)



Ad 5
Avg. Score

6.9

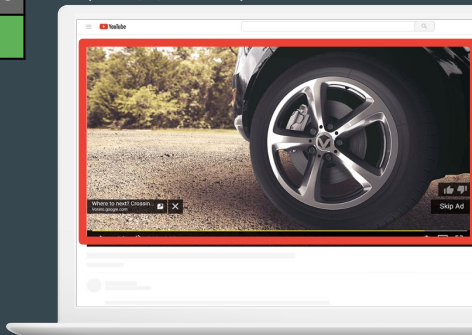
Ad 2 - Non-skippable **Instream** Video



Ad 2
Avg. Score

7.7

Ad 4 - YouTube TrueView
(skippable) **In-Stream**



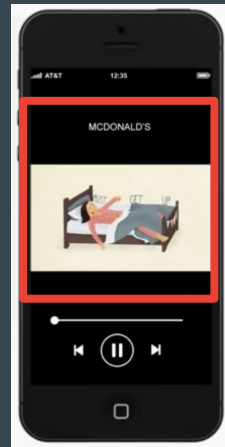
Ad 4
Avg. Score

7.8

Ad 6 - Spotify
Opt-In
Outstream
Video
(Rewarded)

Ad 6
Avg. Score

7.6



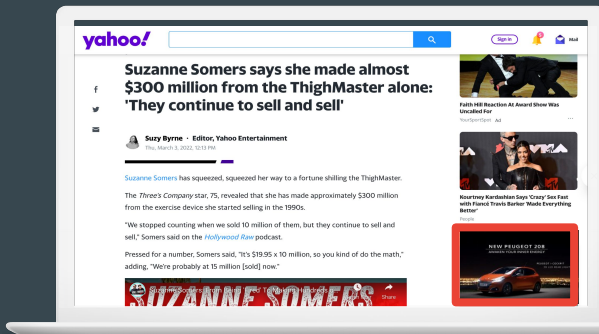
The IAB Fixes the Fix

Additional requirement added to IAB Guidelines August 2022 and OpenRTB 2.6 in April 2023:

“To be considered In-Stream (pre-roll, mid-roll, and post-roll), video placements/impressions must be set to “sound on” by default at start”

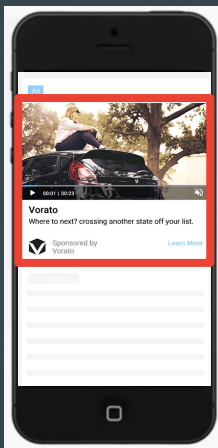
Understanding the Programmatic Video Quality Landscape

Ad 1 - Muted Sticky **Outstream** Video



Ad 1
Avg. Score

1.8



Ad 3
Avg. Score

4.6

Ad 3 - mWeb
In-Article
Outstream
Native Video
(muted)

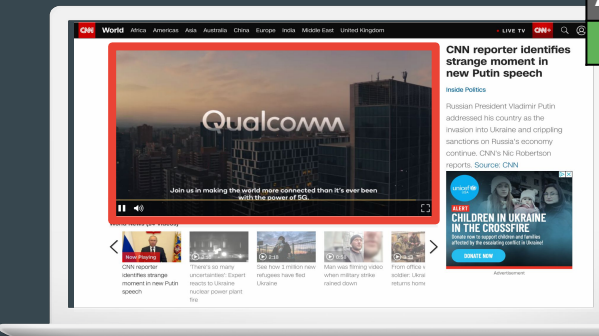
Ad 5 - **Outstream** Video
App Interstitial (e.g.
between gameplay)

Ad 5
Avg. Score

6.9



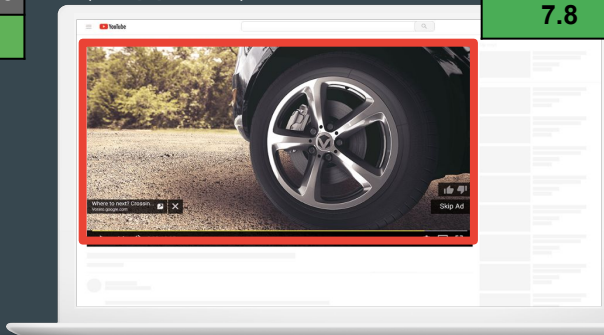
Ad 2 - Non-skippable **Instream** Video



Ad 2
Avg. Score

7.7

Ad 4 - YouTube TrueView
(skippable) **In-Stream**



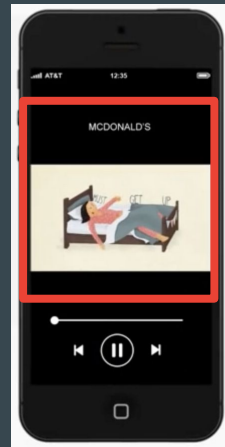
Ad 4
Avg. Score

7.8

Ad 6 - Spotify
Opt-In
Outstream
Video
(Rewarded)

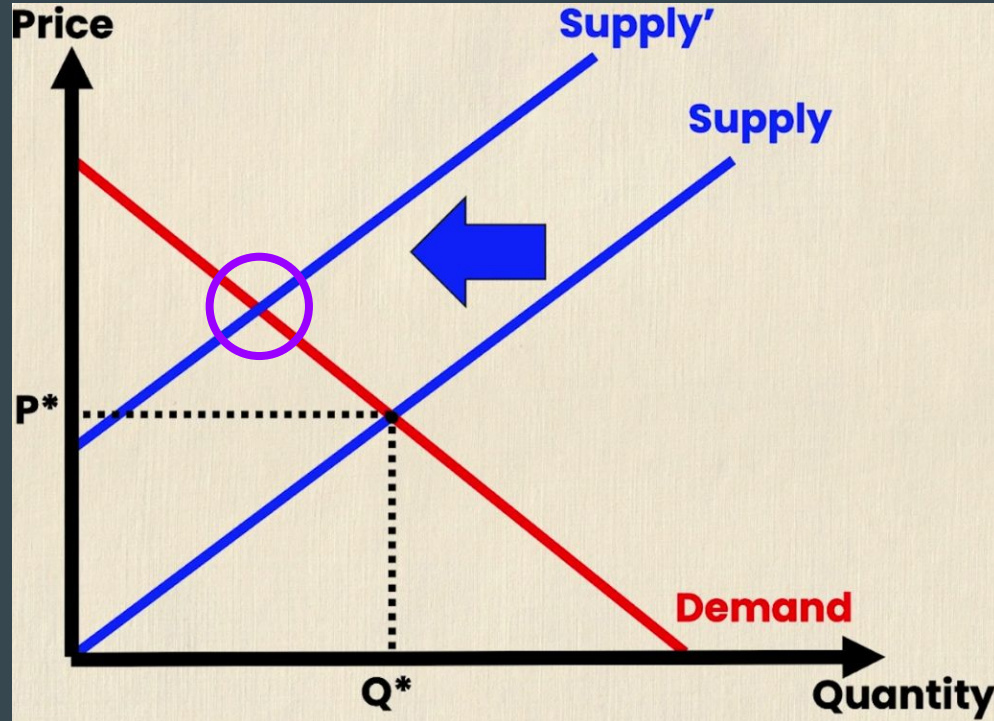
Ad 6
Avg. Score

7.6

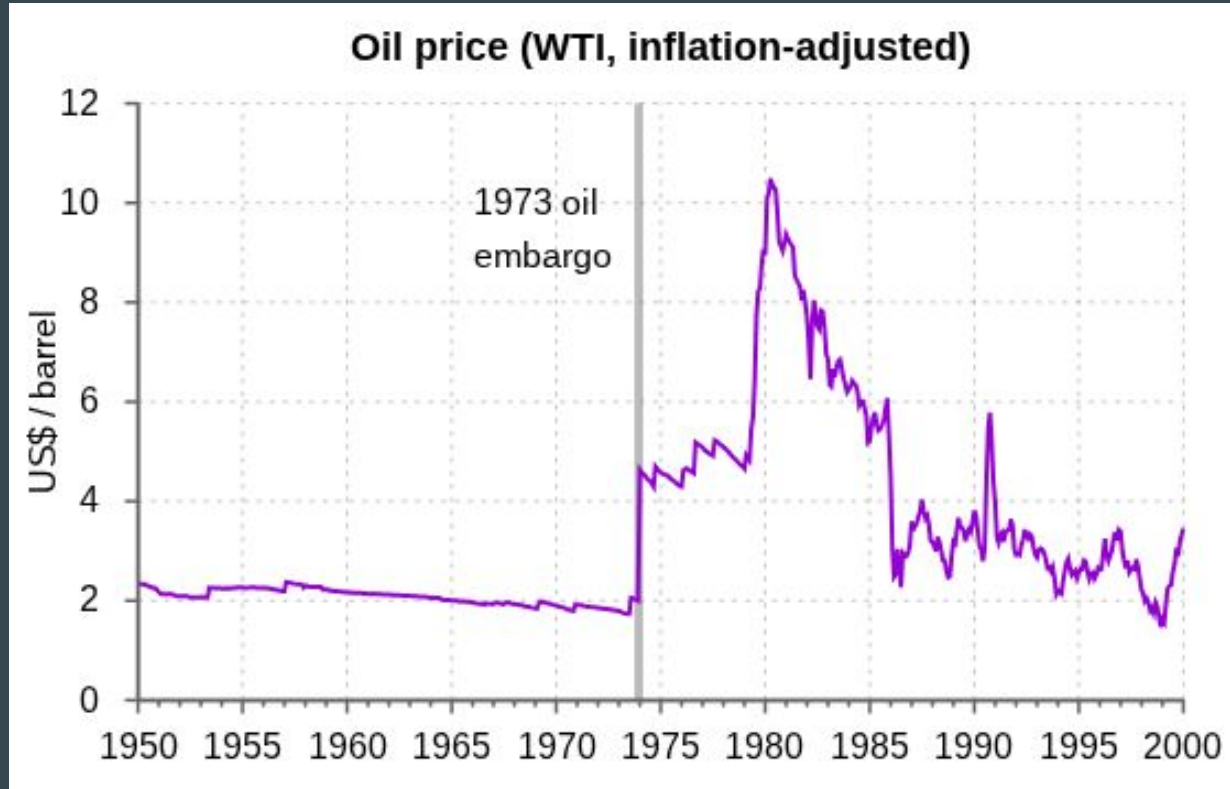


*Autoplay muted "sticky" ads are often declared as "In-stream", in violation of [the OpenRTB 2.6 spec](#) requiring Default "Sound On" for In-stream

Econ 101 - Supply Curve Shifts Left



Econ 150: Micro -> Macro



Implications & Considerations

For buyers:

- Stop getting ripped off. Demand refunds for misdeclared & overpriced supply.
- Start taking advantage of the arbitrage opportunity before it's gone.

For sellers:

- Don't sell yourselves short.

For everyone:

- Make enough noise for this to become a priority topic for the industry to resolve.

Thank You