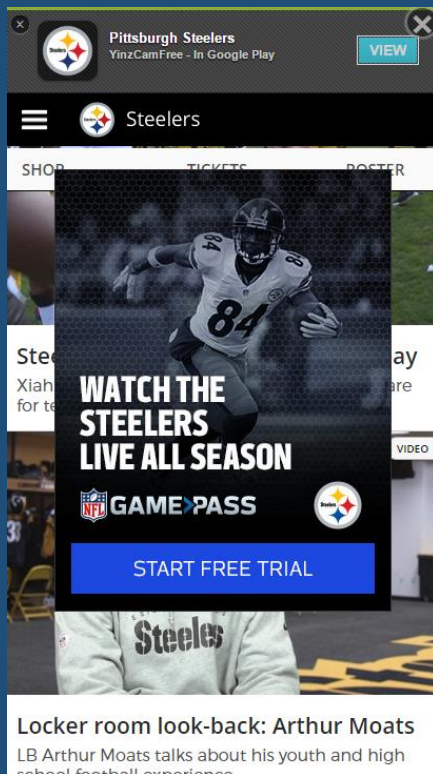


A Breakdown of Mobile Interstitial Advertising Spending



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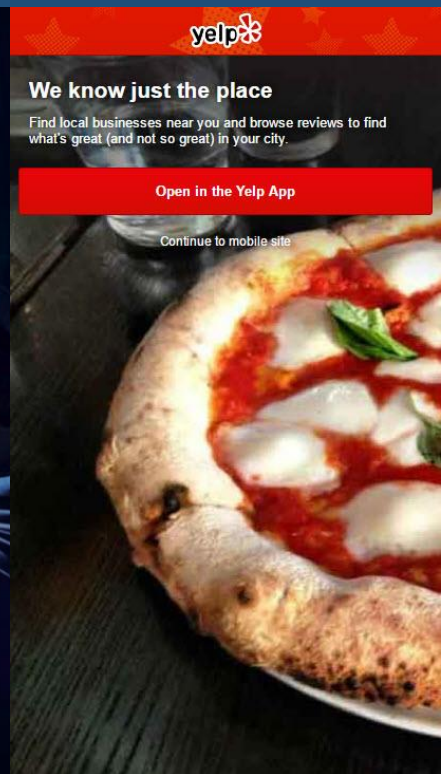
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Determining How Much is Spent Globally on Mobile Interstitial Ads – Getting Started

Mobile advertising is simply huge, and finding a number on how much was spent on mobile ads is relatively easy. The hard part is getting a breakdown of the format. Specifically, how much all of all mobile advertising was spent on mobile interstitials as opposed to say banners? The first thing we need to do then is to determine what percentage of ads on mobile were interstitial. **The answer is 10%, at least.**



A very hard to find, obscure little PowerPoint turned PDF from the 2013 MMA Forum In Singapore entitled, [*The Future of Mobile Advertising is Rich Media*](#) asserts that of ads on mobile:

- 6% are VAST interstitial ads
- 4% are standard interstitial ad

Knowing that 10% of mobile rich media are interstitials is a great start. Now all we need is a number telling us how much was spent on rich media ads on mobile and we should be all set. We however, are not that lucky. A leading source in digital ad spending data, eMarketer, does breakdown mobile spending by ad format, but also clumps banners and rich media into the same figure. Fantastic... how much was spent on banners and how much was spent on rich media? Unless we know this, well we're sunk!

Spending on Mobile Banners Vs. Spending on Mobile Rich Media ads

Our source of digital spending data, eMarketer, says that in [2013 advertisers spent 4.59 billion dollars in the US on banners and rich media ads](#). Let's pull a George W. Bush and get into some "fuzzy math." A 2016 Advertising Age article on [US display ad spending](#) includes a nifty little interactive chart that shows a breakdown of ad formats since 2014. According to the chart data from 2014:

- 10.53 billion dollars were spent on banners
- 3.71 billion was spent on rich media ads
- 14.24 billion dollars were spent on the two formats combined

In other words, of the total spent on both formats, rich media consisted of 26% of the total spending between the two. Actually, saying that rich media consisted of 26% of mobile ad spending in the US when including banners as well is actually a conservative number, as the gap between the two formats is only get smaller as times goes on. For example, the chart shows that in 2016 rich media spending will be more than half that of spending on banners, predicting 7.42 billion will be spent on rich media and 13.39 billion on banners.

The Amount Spent on Rich Media Ads on Mobile

To determine how much was spent on Rich Media in 2013 we need now only solve one equation: What is 26% of 4.6 billion (eMarketer's number for the total spent on banners and rich media in the US)?

26% of 4.6 billion = 1.9 billion

How Much of Mobile Rich Media Spending Was for Interstitial Ads?

Getting the total spent on interstitial ads out of all of mobile rich media ad spending is easy. What's 10% of 1.9 billion? Why that would be 119.6 million.

In 2013, roughly 119.6 million dollars was spent on interstitial ads in the United States alone.

Getting a Current Understanding on Interstitial Spending

Now 119.6 million dollars is no small amount of money, but let's remember mobile ad spending has increased tremendously since 2015. So what do the more current numbers on mobile interstitial ads look like?

Let's get our baseline number, the total mobile ad spending in the US for banners and rich media (since they are grouped together) in 2015. A chart on [US digital ad spending](#) released by eMarketer in 2016 listed spending on mobile banner and rich media ads during the 2015 calendar year at 12.77 billion dollars.

Using the same calculation method as I did for 2013 and you get:

- 26% (the spending share of rich media from the total pool) of 12.77 billion = 3.32 billion
- 10% (the percentage of interstitials within rich media) of 3.32 billion = 332 million

Thus, in 2015 the total spent on mobile interstitial ads in the US alone is 332 million dollars. That's more than double the 2013 figure.

I believe this number to be a conservative estimate as the chart on the Advertising Age site indicated that rich media made up a larger share of ads when relative to banner ads in 2015 than they did in 2014 (yet I am using the lower 2014 number).

How Much Was Spent on Mobile Interstitial Ads Globally

While 332 million dollars is not peanuts, it's not the 5.69 billion I presented earlier, mainly because it reflects spending in and only in the United States. How much then was spent on the format globally?

Again, we need to do some math, it's little trickier because we don't have the amount spent on banners and rich media combined. First thing is get a number for rich media ads globally, but how to do so?

- In the US, banners and rich media constituted 42% of all mobile ad spending during 2015
- 513.07 billion was [spent on mobile ads in 2015](#)
- 42% (applying the proportions from the US) of 513.07 billion = 215 billion



Simply stated, and roughly speaking, we can assume around 215 billion dollars was spent on banners and rich media ads in 2015 globally.

Applying the same method as we did in the US:

- 26% (again the spending share on rich media when combined with banners) of 215 billion = 55.9 billion
- 10% (the percentage of interstitial ads within rich media) = 5.59 billion

Mobile Interstitial – A Billion Dollar Advertising Industry

Based on the above figures, the global interstitial ad industry is a *5.59 billion dollar business*. While these figures are meant to be a ballpark estimate, they are in my estimation, conservative. Rich media advertising is, as previously mentioned, only growing and increasing its mobile ad market share. I would venture to say that interstitial ads form more than just 10% all rich media ads, as Google has previously penalized them in 2015 and will again in January 2017. Their performance on mobile, by many estimates, keeps improvising, only bolstering the notion that the ad format has grown past the 2013 figure of 10%. In either case, the mobile interstitial ad industry is a significant mobile advertising format that based upon its spending figures produces massive amounts of ad revenue.