

The 2022 Industry Pulse Report

INDIA EDITION

IAS Integral
Ad Science



Study objectives and design

Field Date

November 2021

Participation

n=151 digital media experts in India

Methodology

Online survey

We surveyed digital media experts in India who shared their perspective about the media challenges lying ahead and opportunities they will seek to harness in 2022.

In this report, IAS showcases the key trends and emerging technologies that will shape the advertising industry in the year ahead.

Sample includes:

- Advertiser / Brand
- Creative agency
- Media agency
- Publisher



2022 Industry Outlook

As the industry reflects on the trends and technology that influenced the past year, IAS conducted a deep dive into what will shape 2022: The Industry Pulse.

In some ways, 2021 was much of the same, as advertising worked to regain some pre-pandemic normalcy. In another sense, it was revolutionary — some fads fomented into real change, and ways of consuming digital media were shifting in seemingly permanent ways. In short, our industry learned to expect the unexpected.

We invite you to explore the 2022 pulse and join us in helping publishers and advertisers anticipate, innovate, and excel in 2022.



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Top priorities in the digital landscape

Industry experts on:
where they're spending in 2022



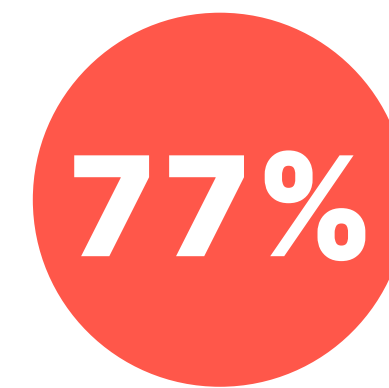
Top media priorities in 2022

Digital media consumption is evolving in the wake of the COVID-19 pandemic.¹ As consumers lead increasingly hybrid lifestyles, mobile will be the top ranked priority.

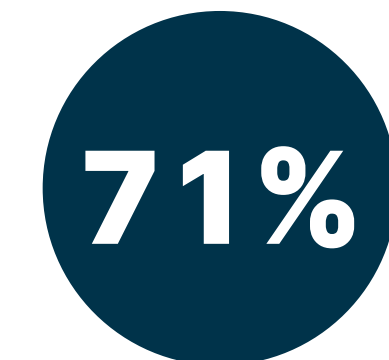
Media experts in India will prioritise social platforms next, likely attempting to harness the growing popularity of user-generated content and the growth of influencer marketing.²

Digital video, encompassing over-the-top and connected TV, will be a priority for nearly two-thirds of respondents, despite only 37.1% of internet users in India owning a smart TV.³

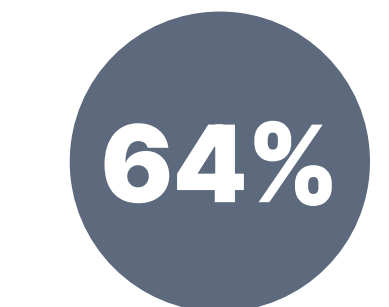
As podcasts and other auditory media gain traction in India, digital audio will be a priority for more than two-in-five media experts.



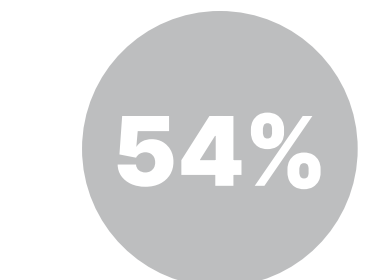
Mobile*



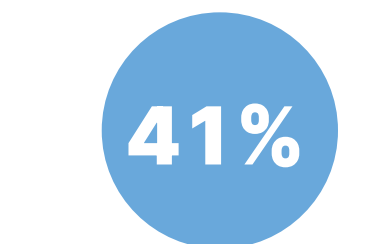
Social media



Digital video**



Desktop environments



Digital audio***



Which of the following environments will be a top priority for your organisation in the next 12 months? (Select up to three);

Which of the following advertising formats will be a top priority for your organisation in the next 12 months? (Select up to three)

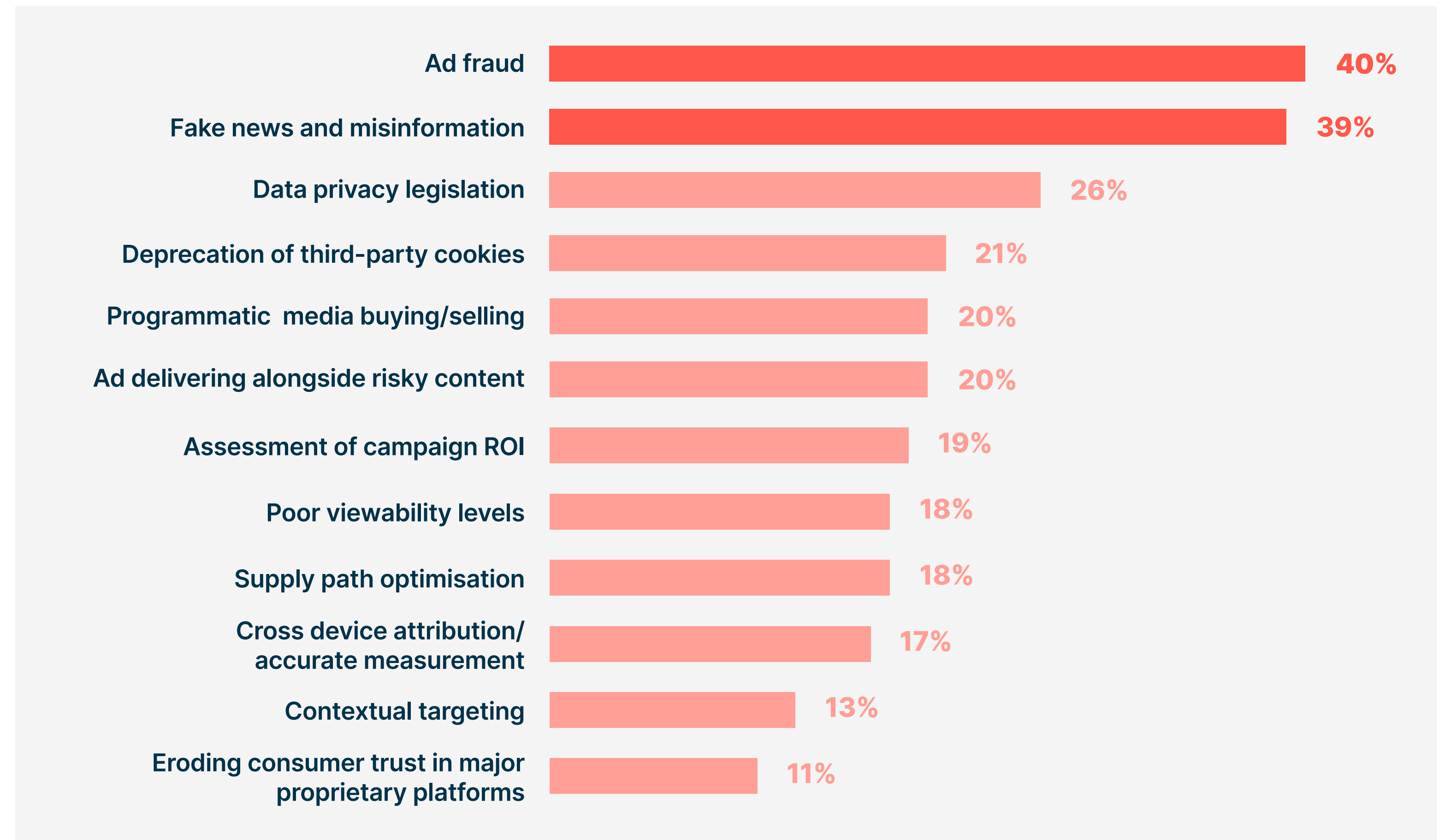
Notes: *includes mobile app/web; **includes digital video/over-the-top and connected TV; ***includes digital audio display/in-stream and podcast display/in-stream

Top media challenges in 2022

First and foremost, media experts in India will be concerned about direct threats to their online campaigns. Whether it takes the form of invalid traffic, fake news, or other adjacencies next to risky content, media quality threats will be top of mind for most respondents.

As consumer demand for control over personal data grows, the deprecation of third-party cookies will also keep more than one-in-five industry experts preoccupied in 2022.

Industry challenges in 2022



Which of the following will be major digital media challenges for your organisation in the next 12 months? (Select up to three)

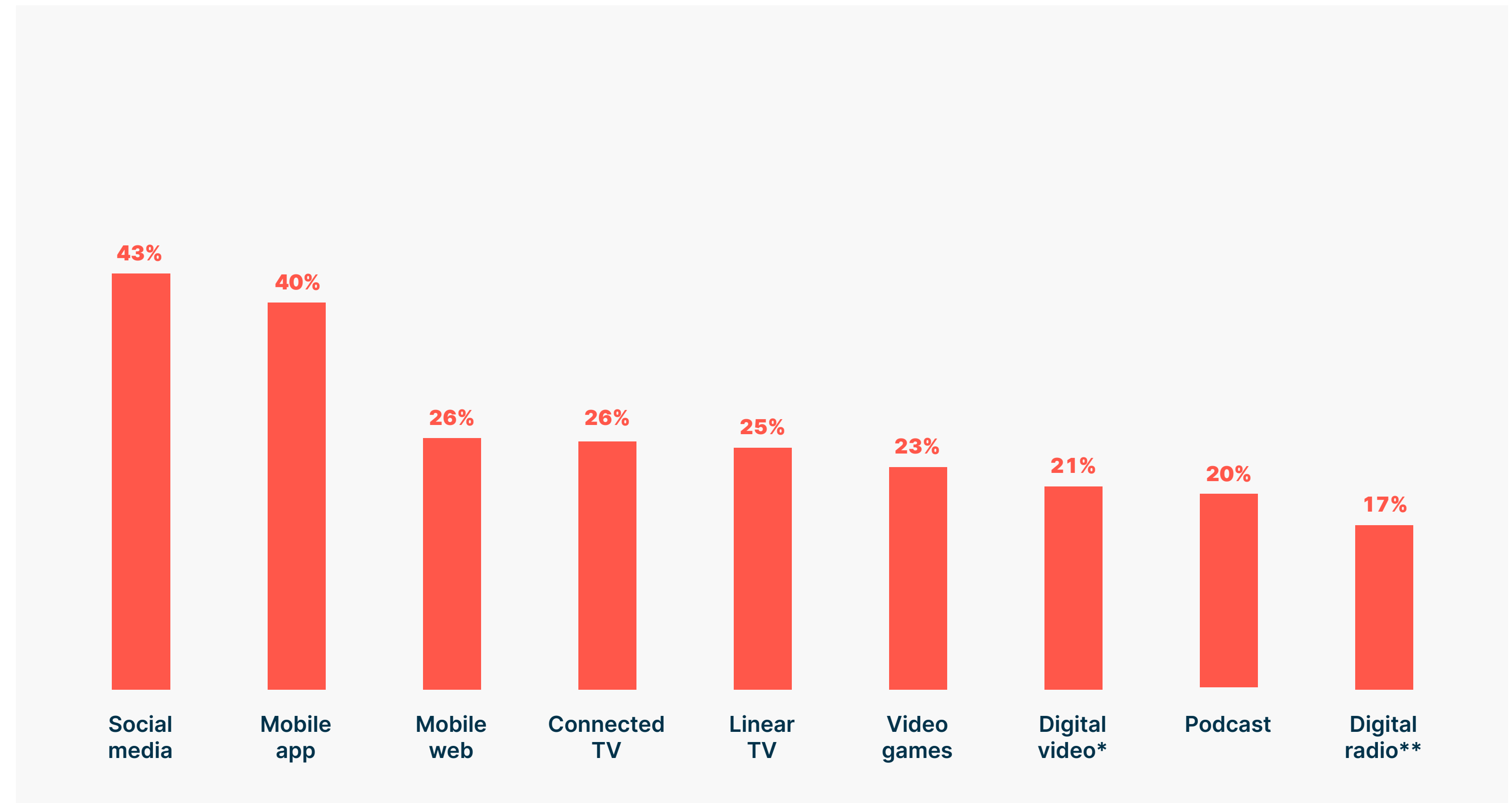
Comparing challenges by media type

Media experts are ready for the challenges that await them in 2022. Social platforms and mobile apps will be the media types most likely to face serious obstacles in the year ahead.

Mobile web rounds out the three media types facing challenges as reliance on mobile devices for media consumption remains high in the country.

India is a highly mobile market with 94.9% of internet users in the country who own a smartphone, by far the most common of any connected device.³ Even traditional TV has a smaller footprint with a viewership of just 80.6% of the same group.⁴

Industry challenges by media type in 2022



In your opinion, which of the following media types will face serious challenges across the media industry in the next 12 months? (Select up to three)
Notes: *excludes connected TV; **excludes podcast

Addressing top media challenges in 2022



We will build an efficient and effective supply chain.

Executive, Advertiser / Brand



We will use trusted verification tools.

Director, Agency



We will only partner with safe platforms offering continuous monitoring, reporting, retargeting, and optimisation.

Vice President, Publisher



What tactics will your organisation implement to address these challenges?

02

Mobile momentum

Industry experts on:
maximising the mobile opportunity



Mobile prioritisation will boost ad spend

Mobile is without a doubt the top priority in India, a hardly surprising finding considering the number of mobile internet users in the country will surpass 600 million in 2022.⁵ Industry experts will leverage mobile advertising as consumer behaviors grow increasingly hybrid and mobility rises again.

With consumers on the go once again and despite lingering pandemic restrictions, mobile ad spend is set to grow 27% to surpass \$2 billion in 2022. During that period, mobile will represent nearly two-thirds of overall digital ad spend in India.⁶

77%

of respondents said mobile* will be a top priority for their organisation in the next 12 months



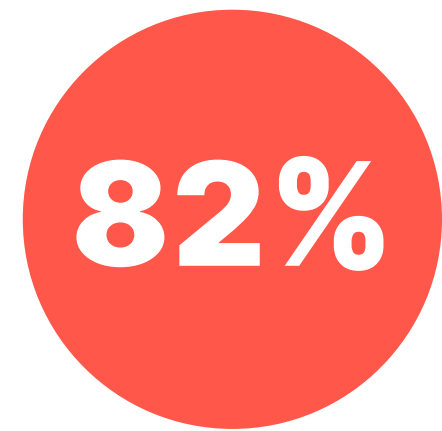
Which of the following environments will be a top priority for your organisation in the next 12 months? (Select up to three)
Notes: *includes mobile app and mobile web

Mobile will be rife with opportunity

Increased adoption of fast 5G connections will improve the overall mobile experience for consumers, who are expected to increase their video consumption via handheld devices.

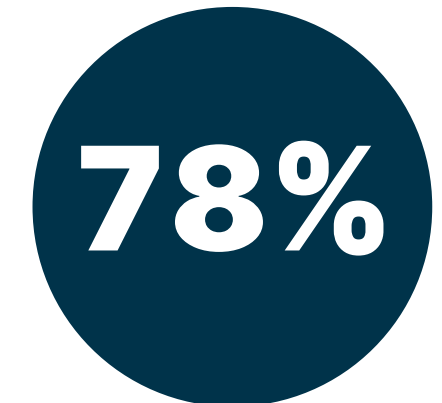
There is strong agreement across the industry that mobile video will be a major beneficiary of faster mobile connections, which will give way to new advertising opportunities.

As mobile media consumption rises and creates advertising opportunities, experts believe that contextual targeting solutions and third-party verification will be key to maximising the growing mobile opportunity.

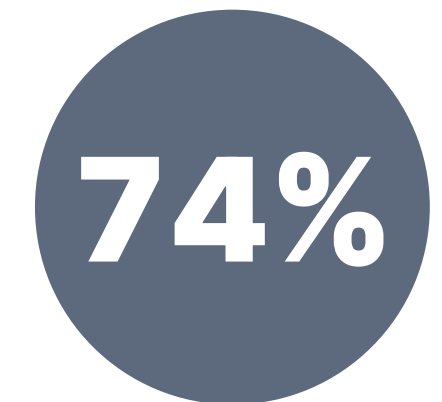


Industry experts agree...

Expanding 5G adoption will improve the mobile media experience overall, creating new advertising opportunities



Increasing mobile video consumption will be a key opportunity for ad buyers and sellers



Contextual targeting solutions will gain favor in mobile app and web environments



Third-party verification will be important to ensure the quality of mobile inventory



Thinking about mobile media in the next 12 months, please indicate whether you agree or disagree with the following statements

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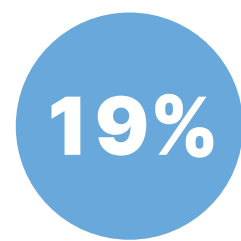
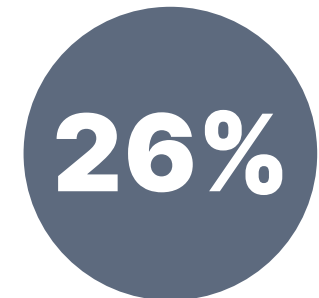
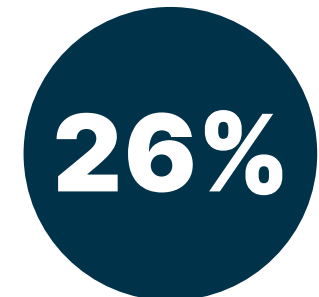
12

Top challenges in mobile media

Greater relevance and spend in mobile advertising will also bring about challenges.

More than three-quarters of industry experts see a growing threat from ad fraud, regardless of format.

Brand risk will also be a concern, with mobile web as the environment that experts agree will be most vulnerable.



Industry experts agree...

Ad fraud will be a greater concern across mobile environments regardless of advertising format

Mobile web video will be vulnerable to brand risk

Mobile web display will be vulnerable to brand risk

Mobile app display will be vulnerable to brand risk

Mobile app video will be vulnerable to brand risk

Mobile expansion and increasing relevance



Mobile offers the greatest reach, especially under lockdown orders due to the COVID-19 pandemic.

Executive, Advertiser / Brand



Mobile monetisation is efficient and provides more valuable data insights compared to other media types.

Analyst, Advertiser / Brand



Mobile is an inevitable part of everyday life.

Executive, Publisher

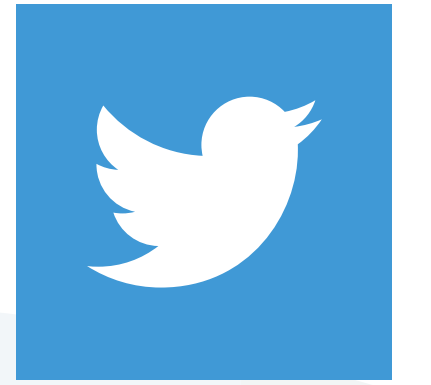


Please tell us more about what makes these advertising formats a priority.

03

Elevating social standards

Industry experts on:
transparency and
consumer trust



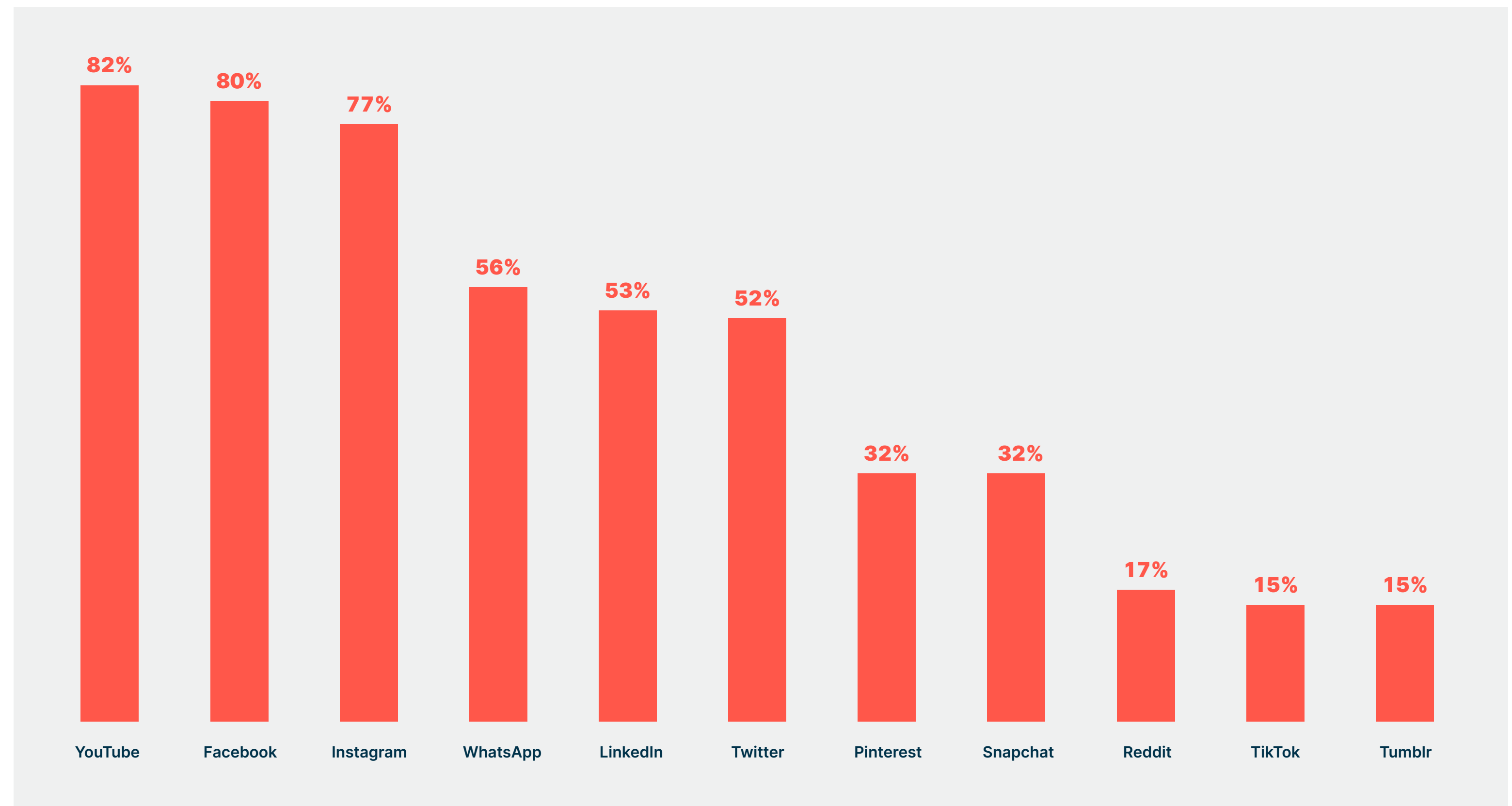
Social platforms will play a key role in media strategies

Social media is hugely popular among consumers in India, home to 452 million social network users⁷ who spend an average of 2.5 hours per day on social platforms.⁸ Social media will be one of the most valuable advertising opportunities in the year ahead.

YouTube is the top choice, followed closely by Facebook and Instagram, likely due to their unrivaled reach. WhatsApp, LinkedIn, and Twitter follow at some distance.

TikTok, which is blocked in India, will be considered by a small portion of media experts, likely for campaigns running in markets abroad.

Top social media platforms in 2022

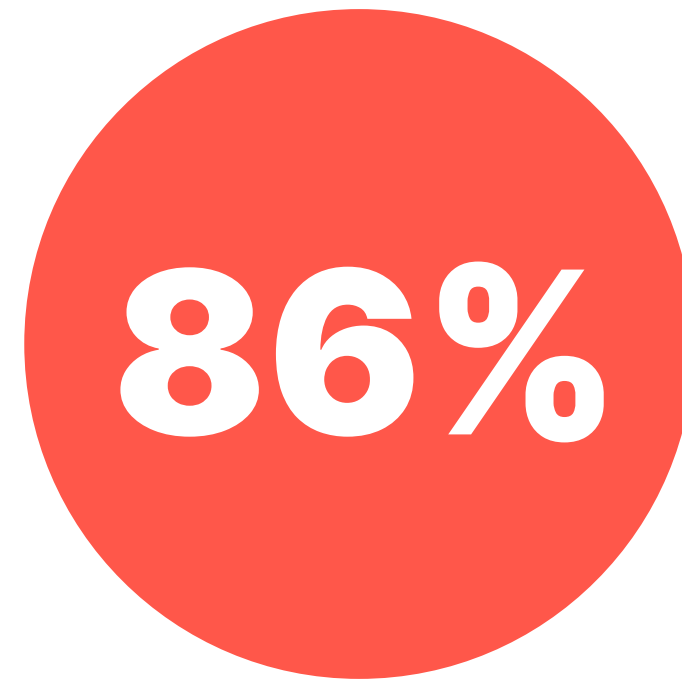


In which of the following platforms will your organisation buy advertising or monetise content in the next 12 months?

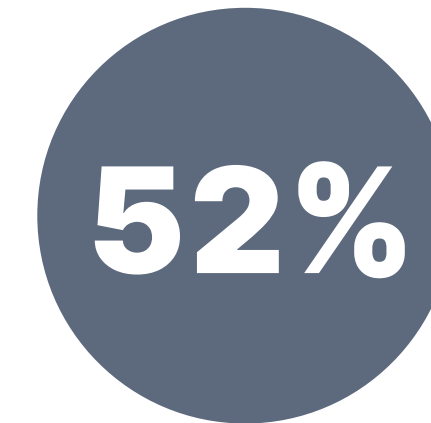
Quality assurance is a priority for social media

Quality assurance will be a core requirement for social media campaigns. Viewability is a simple gauge that has reached table-stakes status with 85% of media experts citing its importance.

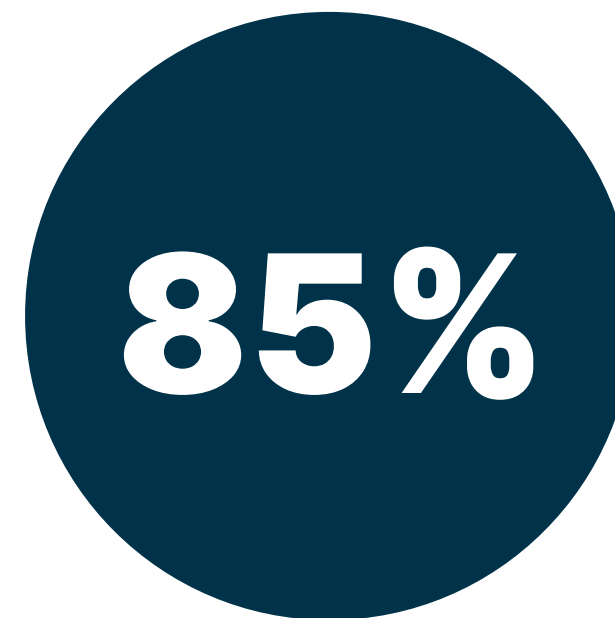
Nearly nine-in-ten respondents are concerned about invalid traffic on social platforms, while more than half see social media as vulnerable to ad fraud and brand risk incidents.



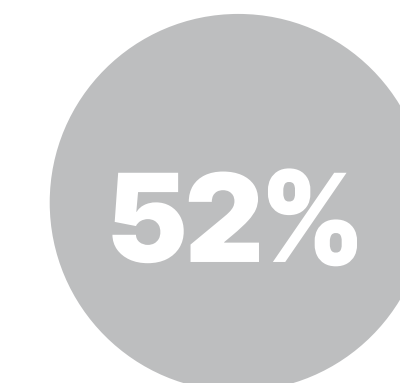
of respondents agree ad fraud is a concern when running social media campaigns



of respondents said social media will be vulnerable to ad fraud incidents in the next 12 months



of respondents agree viewability is an important metric when assessing social media campaigns



of respondents said social media will be vulnerable to brand risk incidents in the next 12 months



Thinking about social media in the next 12 months, please indicate whether you agree or disagree with the following statements; Which of the following media types will be most vulnerable to ad fraud in the next 12 months?; Which of the following media types will be most vulnerable to brand risk in the next 12 months?

65% of respondents agree
that insufficient media quality
transparency within social media
platforms will negatively impact
their media spend.



Thinking about social media in the next 12 months, please indicate whether you agree or disagree with the following statements

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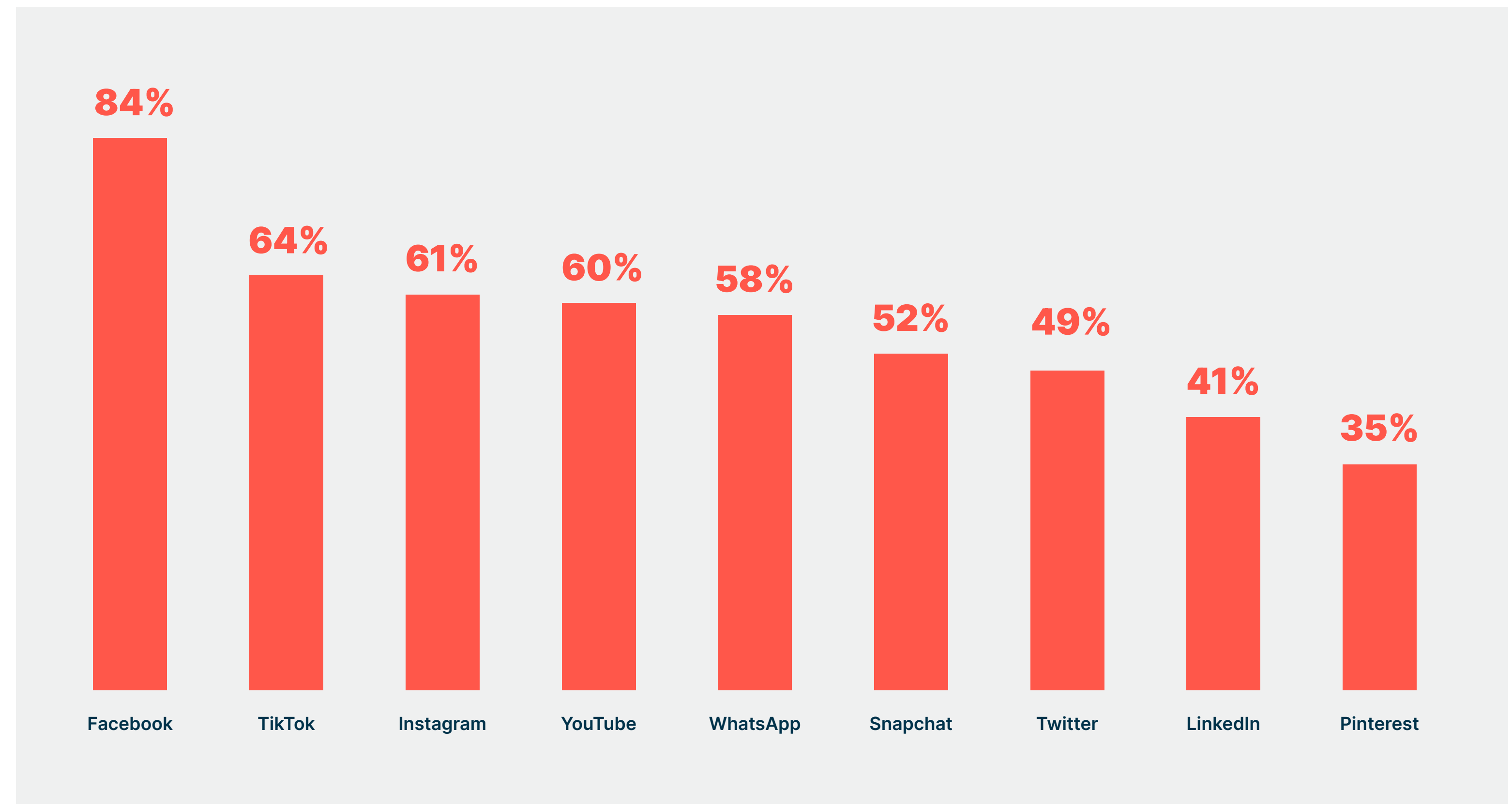
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The influence of transparency

Media budgets are diversifying to include newer and more experimental platforms, and a demand for transparency will follow. Insufficient insight into media quality may lead experts to adjust their spend, particularly on popular platforms like Facebook, Instagram, and YouTube.

Even emerging platforms like Snapchat and TikTok face potential budget adjustments as industry experts seek to increase media quality transparency around their campaigns.

Social media platforms most likely to be affected by insufficient transparency in 2022



In which platforms is your organisation likely to adjust media spend due to insufficient transparency in terms of media quality metrics (e.g., ad fraud, brand risk, viewability)?

62% of respondents agree that eroding consumer trust in major social media platforms will negatively impact their media spend.



Thinking about social media in the next 12 months, please indicate whether you agree or disagree with the following statements

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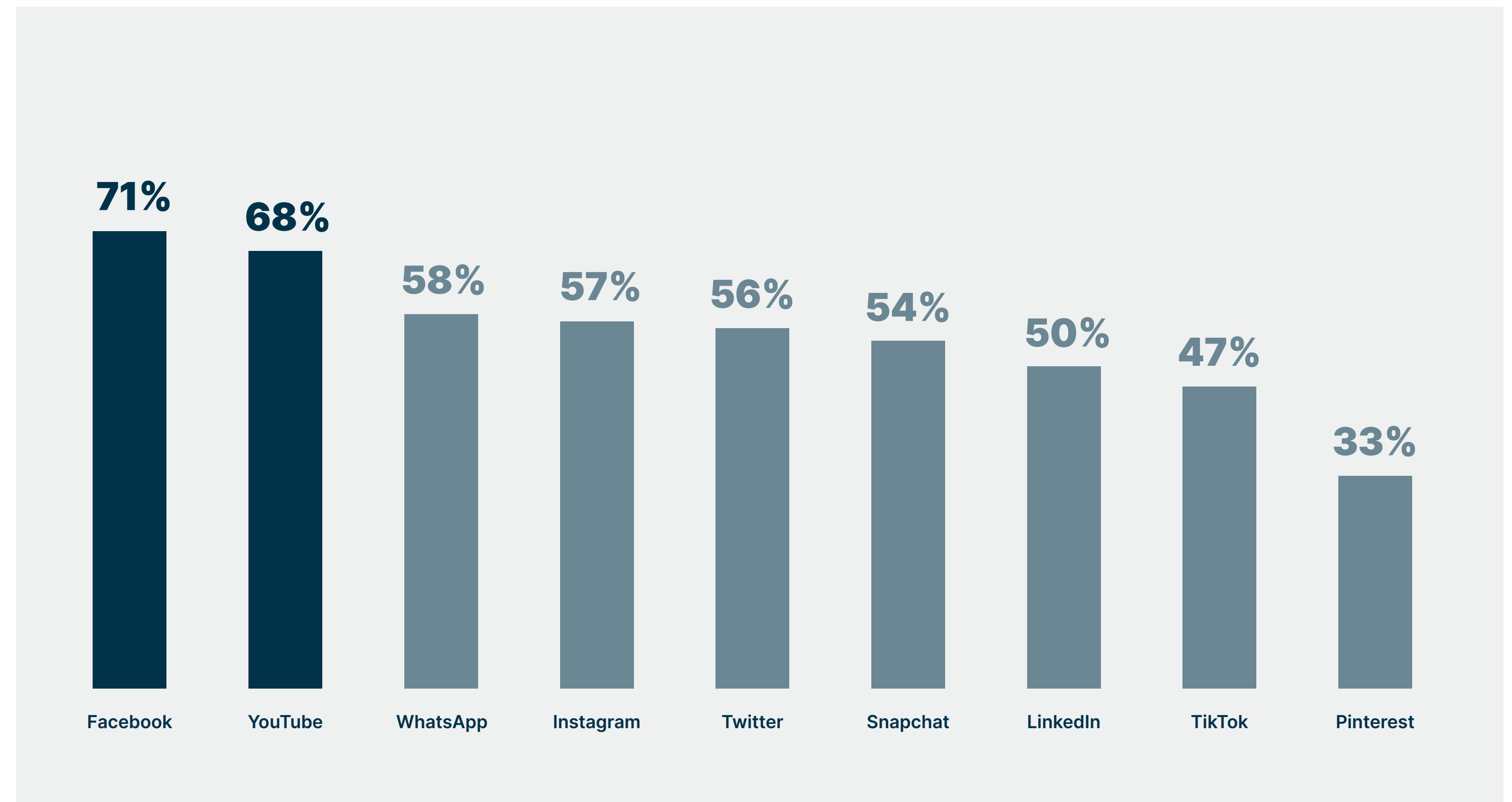
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The influence of consumer trust

Facebook and YouTube are the social platforms most likely to see adjusted media spend as a result of eroding consumer trust.

WhatsApp, Instagram, Twitter, and Snapchat are the other platforms where a majority of industry experts will likely adjust their media budget to account for trust issues.

Social media platforms most likely affected by eroding consumer trust in 2022



In which platforms is your organisation likely to adjust media spend due to eroding consumer trust?

Innovations to expect on social media



Increased engagement.

Analyst, Advertiser / Brand



Greater transparency and
[brand] safety.

Manager, Advertiser / Brand



Reduction in ad fraud and
fake news.

Ad ops, Agency



What innovations are most likely to appear in these media types over the next 12 months?

04

The evolution of TV

Industry experts on:
the digital shift



Connected TV and digital video innovation

More than two-in-five media experts said CTV and digital video hold the most potential for innovation in 2022, and they'll be betting on it with their advertising budgets.

Online video represents 28% of digital media budgets in India.⁹

43%

said CTV and digital video hold the most potential for innovation in 2022

Consumers will lead the shift from linear TV to digital alternatives

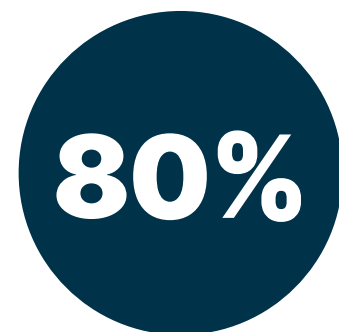
Media experts are mostly in agreement about the leading role consumers will take in accelerating the shift from linear TV to digital video and other alternatives.

As consumers turn to digital video and connected TV, ad buyers will also shift media budgets from traditional TV to digital, expanding the reach of advertising campaigns into additional streaming services as digital viewers diversify their content sources.

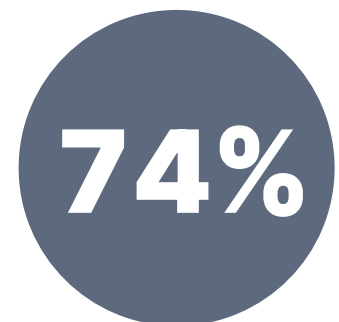
Industry experts agree...



The shift in media consumption from linear TV to digital video alternatives will accelerate



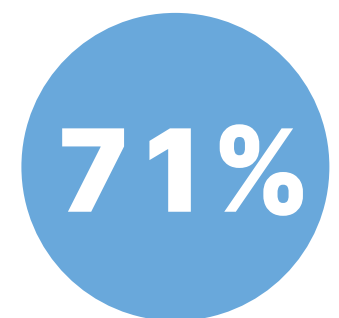
Consumer uptake of video streaming will remain strong even if COVID-19 restrictions are fully lifted in the next 12 months



Ad buyers will expand media strategies to additional streaming services as audiences diversify to more platforms



The shift in ad spending from linear TV to digital video alternatives will accelerate



Ad supported video streaming will grow in popularity among consumers



Thinking about digital video in the next 12 months, please indicate whether you agree or disagree with the following statements





Video media quality vulnerabilities

In 2022, more media experts in India will be concerned about ad fraud rather than brand risk.

Video advertising will be most at risk in mobile web environments, likely reflecting the popularity of mobile media consumption in India, where 70% of internet users will access the web only via handheld devices by 2025.⁹

Media experts see ad fraud and brand risk as lesser threats for digital video in desktop and CTV environments, likely influenced by the strong preference for mobile media consumption in the country.

Perceived vulnerability to ad fraud and brand risk in 2022 by video format

	Ad fraud	Brand risk
 Mobile web video	32%	26%
 Mobile app video	28%	19%
 Desktop video	10%	17%
 CTV	14%	13%



Which of the following media types will be most vulnerable to ad fraud in the next 12 months?;
Which of the following media types will be most vulnerable to brand risk in the next 12 months?

Innovations to expect for CTV and digital video



Interactive ads.

Executive, Agency



Better quality in digital video content.

Executive, Advertiser / Brand

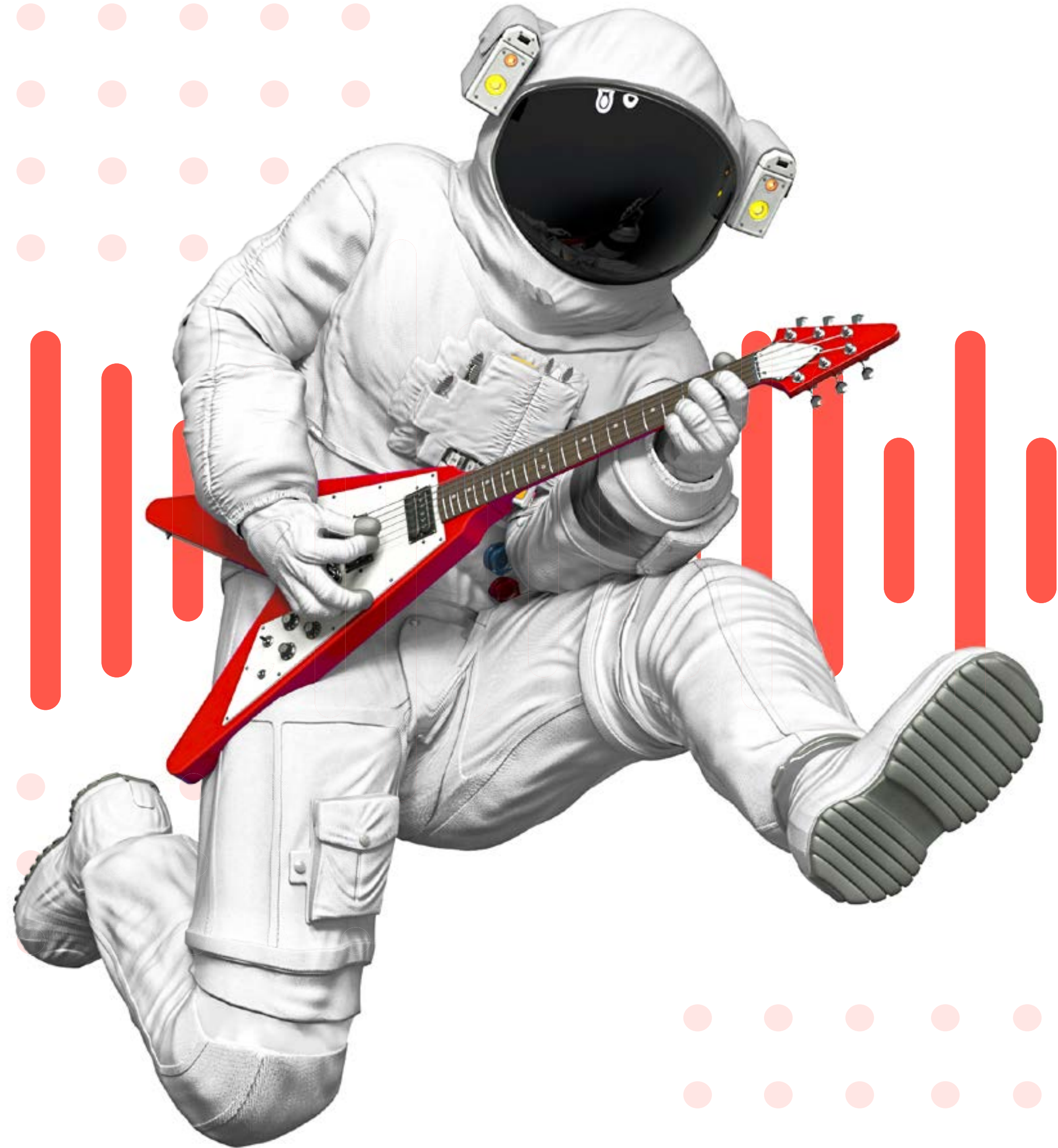


What innovations are most likely to appear in these media types over the next 12 months?

05

Digital audio developments

Industry experts on:
expanding into audio



Digital audio uptake will expand the advertising opportunity

Digital audio in general and podcasts¹⁰ in particular will fuel the transition from terrestrial radio to audio streaming alternatives.

Advertisers seem set on trailing close behind consumer trends, duly expanding their audio campaigns as listeners flock to streaming services.

74%

Industry experts agree...

Audio media listeners will continue to shift from terrestrial radio to digital alternatives

73%

Advertiser investment in audio streaming will expand to match adoption rates among consumers

68%

Ad-supported audio streaming will grow in popularity among consumers



Thinking about audible media in the next 12 months, please indicate whether you agree or disagree with the following statements

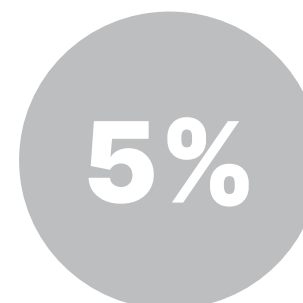
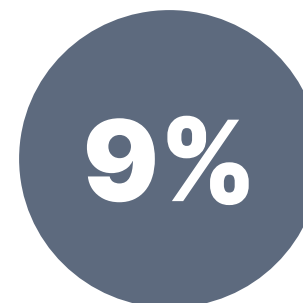
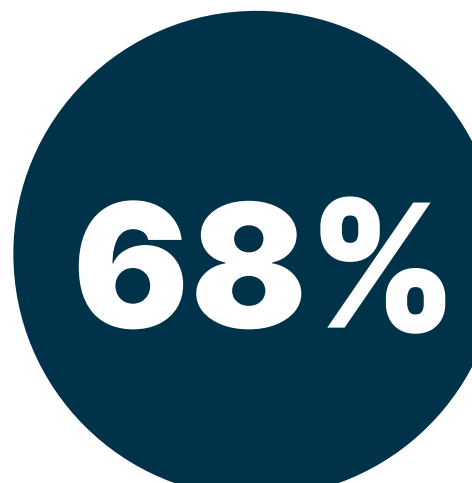
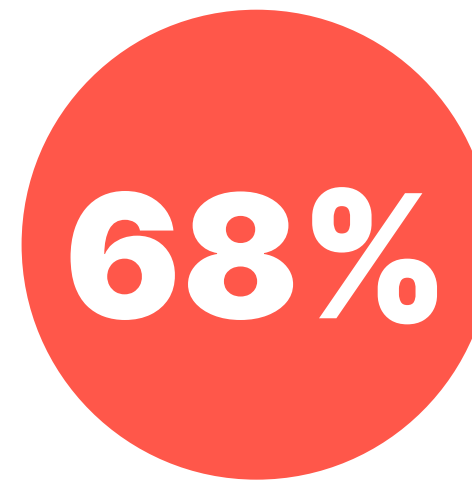
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Digital audio challenges

As additional content becomes available to the growing digital audio streamer base, industry experts anticipate an increase in brand risk. Because of this, many foresee the need for third-party verification to ensure media quality.

Even as brand risk rises, digital radio is expected to remain fairly safe, with less than one-in-ten respondents expressing the view that audio streaming will be vulnerable to brand risk or ad fraud.



Industry experts agree...

Third-party verification will be important to ensure the quality of audio streaming inventory

Brand risk around audio streaming content will increase as additional inventory becomes available

Digital radio will be vulnerable to brand risk incidents in the next 12 months

Digital radio will be vulnerable to ad fraud in the next 12 months

Q Thinking about audible media in the next 12 months, please indicate whether you agree or disagree with the following statements; Which of the following media types will be most vulnerable to ad fraud in the next 12 months?; Which of the following media types will be most vulnerable to brand risk in the next 12 months?

06

Media quality

Industry experts on:
mitigating vulnerabilities

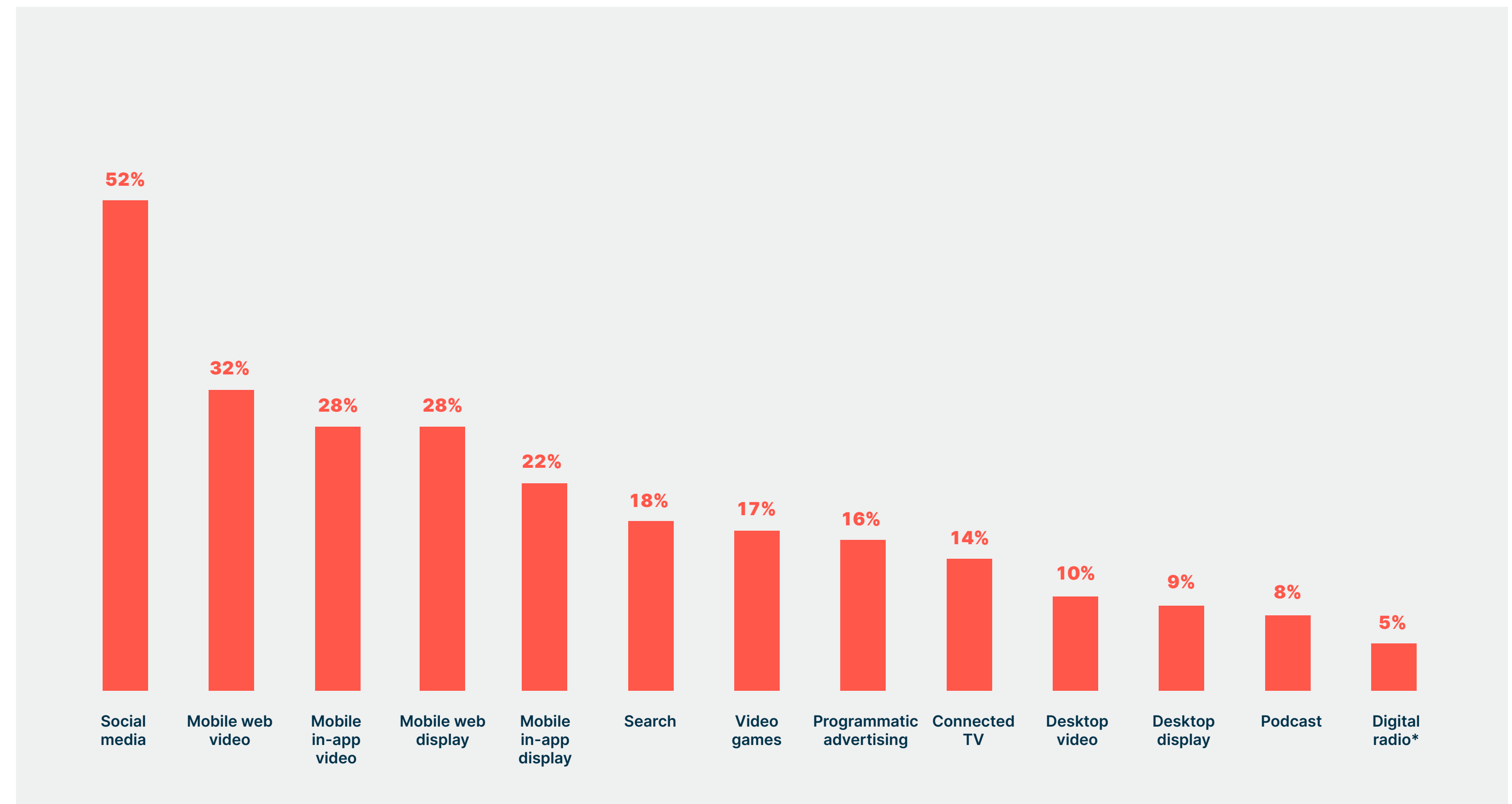


Environments most vulnerable to ad fraud

More than half of respondents said social is the media type most vulnerable to ad fraud in 2022.

Mobile environments and formats in all their combinations were cited as most vulnerable to ad fraud after social media. Media expert concerns about ad fraud targeting mobile campaigns reflect the prominence of mobile media consumption in India.

Digital environments perceived to be most vulnerable to ad fraud in 2022



Which of the following media types will be most vulnerable to ad fraud in the next 12 months? (Select up to three)
Notes: *excludes podcast

Accountability for ad fraud mitigation

Mitigating fraudulent activity is viewed as a widespread effort across the supply chain, but led by verification tech providers.

Nearly half of respondents hold verification providers responsible for ad fraud prevention heading into 2022. Internet service providers and brands are also seen as most responsible for this task by roughly one third of respondents.

Robust and scalable verification technology will be foundational to the increasingly sophisticated anti-fraud strategies set in place by the industry, from agencies and brands to publishers and platforms.

Who is most responsible for ad fraud mitigation in 2022?



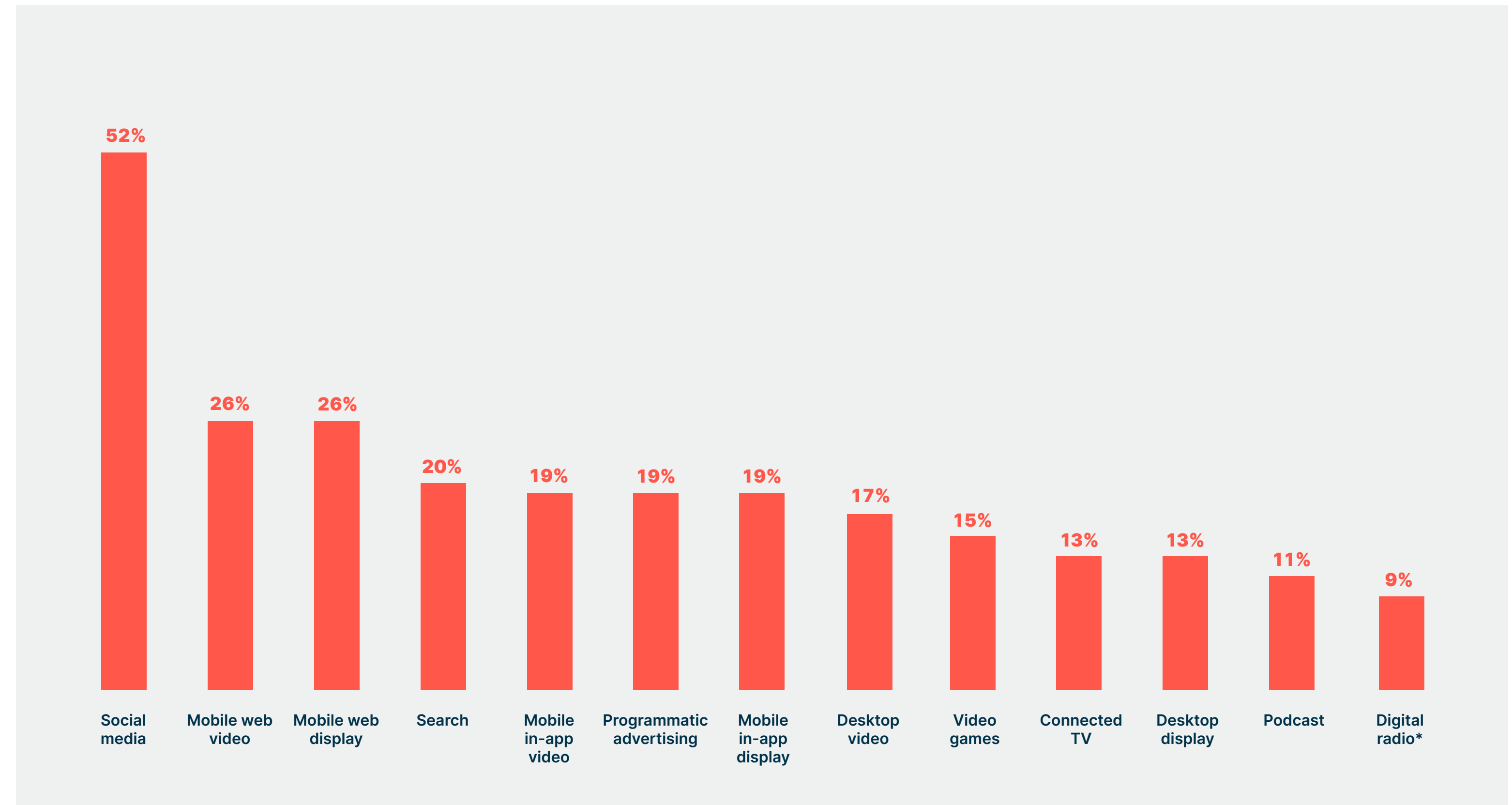
Thinking ahead to 2022, who should be in control of ad fraud mitigation efforts across the digital advertising industry? (Drag and drop to rank from 1=most in control to 7=least in control) Notes: [Rank 1,2]

Environments most vulnerable to brand risk

Social media is perceived as the environment most vulnerable to brand risk incidents by a wide margin, according to experts in India.

The rate of user-generated content on social platforms presents challenges to controlling content adjacencies, a trait that may also be driving concerns about brand risk around mobile video content.

Digital environments perceived to be most vulnerable to brand risk incidents in 2022



Which of the following media types will be most vulnerable to brand risk in the next 12 months? (Select up to three)
Notes: *excludes podcast

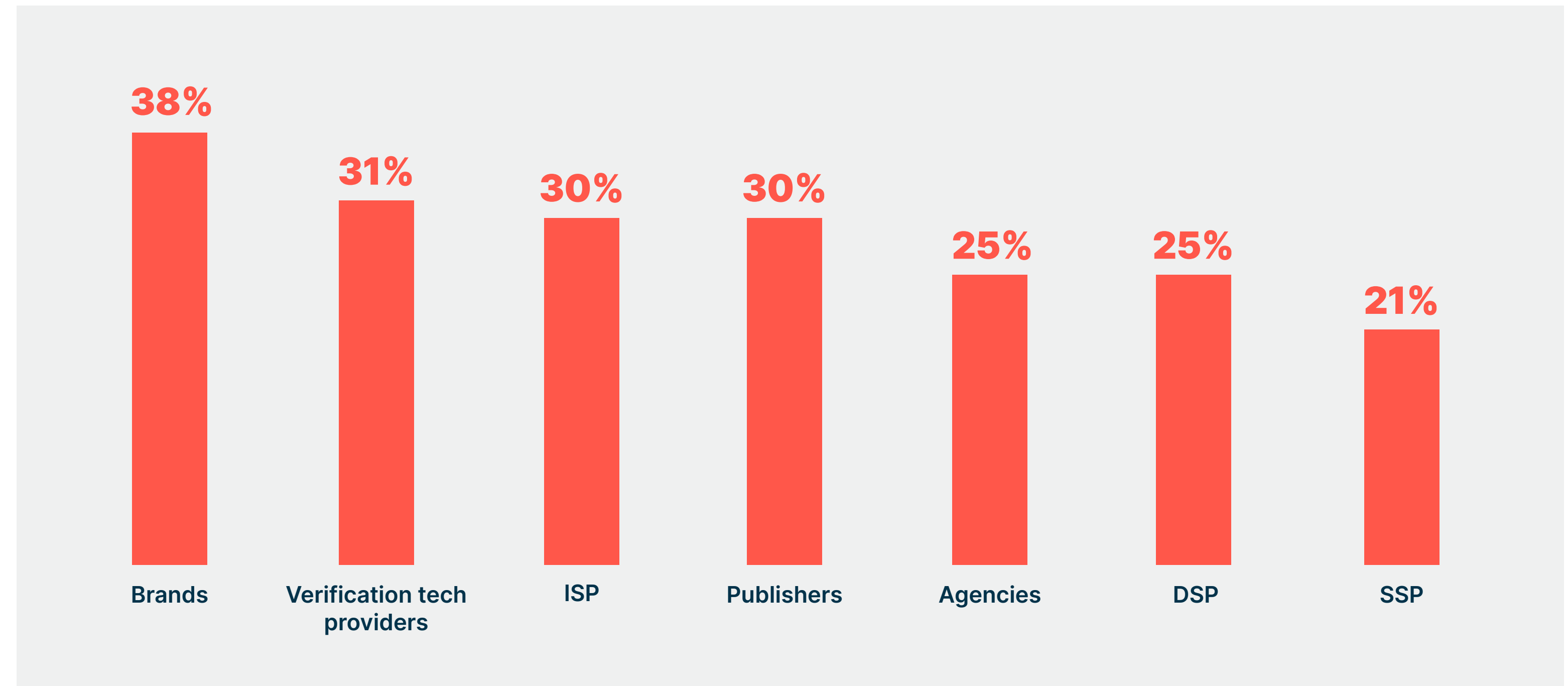
Accountability for brand risk mitigation

Industry experts see brands, verification tech providers, and internet service providers leading the efforts to mitigate brand risk.

Media quality assurance in general and brand safety in particular are viewed as industry-wide efforts led by ad buyers, the key stakeholders with media budgets on the line if action isn't taken.

As the buy-side takes the lead in brand safety, brand suitability technology will continue to enable the use of features like content adjacency, sentiment analysis, and audience demographics.

Who is most responsible for brand risk mitigation in 2022?

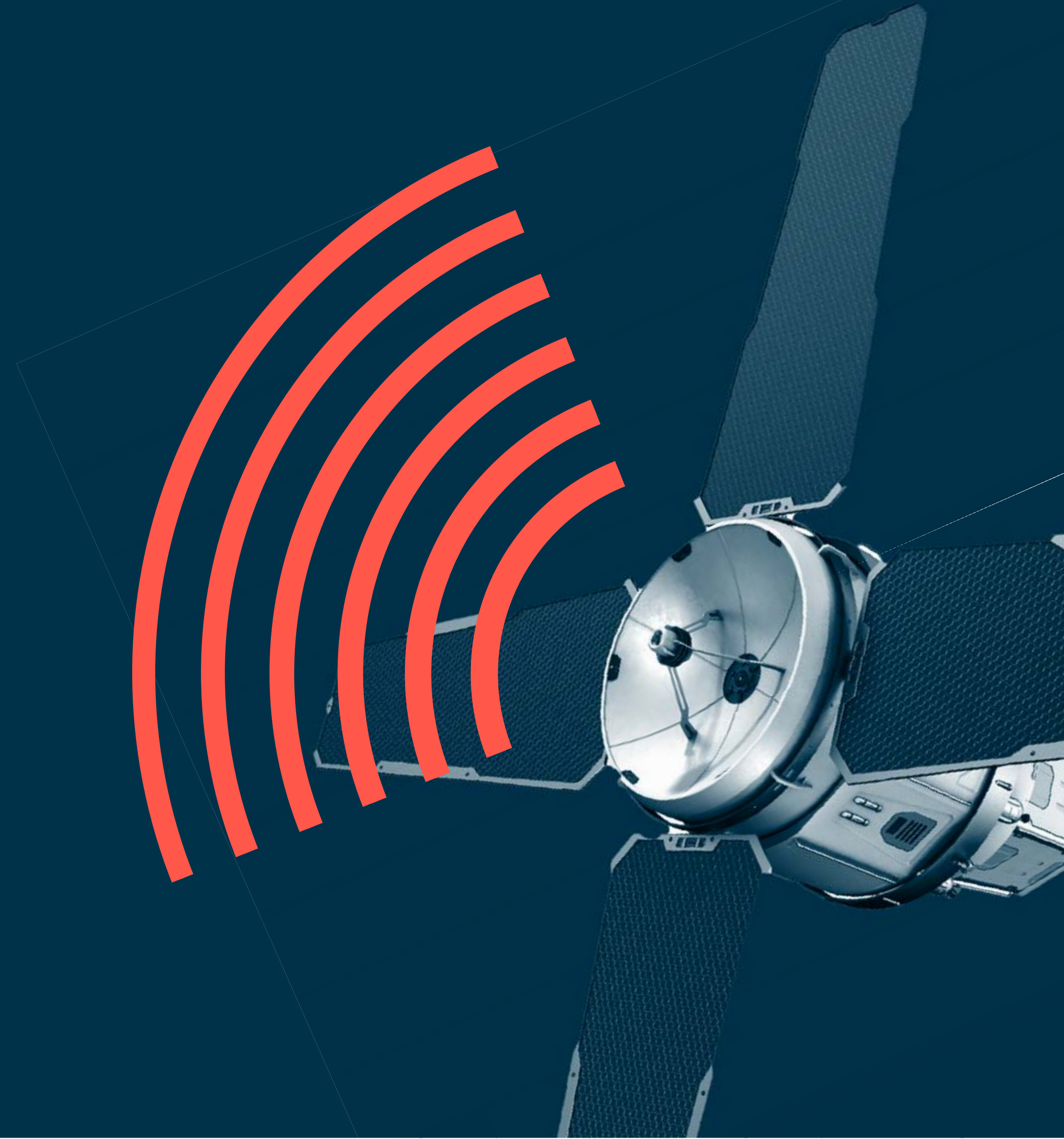


Thinking ahead to 2022, who should be in control of brand risk mitigation efforts across the digital advertising industry? (Rank from 1=most in control to 7=least in control) Notes: [Rank 1,2]

07

Key takeaways

Industry experts on:
the big picture of 2022





1. Top digital media priorities

Mobile environments, social media, and digital video will be the top formats in 2022.

- #1 Mobile
- #2 Social
- #3 Digital video



2 . Mobile takes top priority spot

Mobile environments will be the top priority in 2022, driven by on-the-go video streaming as consumers continue their hybrid lifestyles. As 5G adoption expands and mobile video consumption grows, the threat of ad fraud will loom over mobile campaigns.

82%

agree expanding 5G adoption will improve the mobile media experience overall, creating new advertising opportunities

78%

agree increasing mobile video consumption will be a key opportunity

78%

agree ad fraud will be greater concern across mobile environments

77%

say mobile environments will be a top priority



3.

Consumer trust and transparency will sway social media budgets

Social ad spend will continue to rise, a clear endorsement of the role social media platforms will play in digital strategies despite concerns about ad fraud and brand risk. However, demands for more transparency about media quality and eroding trust among consumers will likely cause social media budgets to shift.

86%

agree ad fraud is a concern when running social media campaigns

65%

are likely to adjust social media ad spend due to insufficient transparency into media quality metrics

62%

are likely to adjust social media ad spend due to eroding consumer trust in major social media platforms



4. Consumer preference will transform TV

Evolving video viewership preferences will accelerate the shift in consumption from linear TV to digital alternatives. Ad budgets will follow.

- 80% said the shift in media consumption from linear TV to digital video alternatives will accelerate
- 74% said media strategies will expand to additional streaming services as audiences diversify to more platforms
- 71% said ad-supported video streaming will grow in popularity among consumers



5

Digital audio takes off

Listeners will flock toward digital audio streaming options that are replacing terrestrial radio. Advertisers will closely follow, duly expanding to ad-supported audio streaming services – and they expect verification technology will ensure media quality in those platforms.

74%

Agree audio media listeners will continue to shift from terrestrial radio to digital alternatives

73%

Agree advertiser investment in audio streaming will expand to match adoption rates among consumers

68%

Agree third-party verification will be important to ensure the quality of audio streaming inventory



6.

Media quality becomes a team effort

Regardless of environment or format, the expectation of responsibility for media quality is more evenly spread across the supply chain. Still, industry experts say social media will be most vulnerable to media quality threats in 2022.

52%

said social media is most likely to experience ad fraud incidents

52%

said social media is most likely to experience brand risk incidents

45%

of media experts said verification tech providers are most responsible for ad fraud mitigation

38%

of media experts said brands are most responsible for brand risk mitigation

08

About IAS

Integral Ad Science (IAS) is a global leader in digital media quality. IAS makes every impression count, ensuring that ads are viewable by real people, in safe and suitable environments, activating contextual targeting, and driving supply path optimisation. Our mission is to be the global benchmark for trust and transparency in digital media quality for the world's leading brands, publishers, and platforms. We do this through data-driven technologies with actionable real-time signals and insight. Founded in 2009 and headquartered in New York, IAS works with thousands of top advertisers and premium publishers worldwide. For more information, visit integralads.com.

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END NOTES

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3. "Global Media Intelligence 2021: India," GWI as cited by eMarketer, October 2021
4. GWI/Publicis Media as cited by eMarketer, August 2021
5. eMarketer, February 2021
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10. "As Podcasts Continue To Grow In Popularity, Ad Dollars Follow," Forbes, February 2021