

2017 Key Internet Trends and How OOH Amplifies its Impact

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Each year, Mary Meeker, partner at Kleiner Perkins Caufield & Byers, presents at the Code Conference an [annual internet trends report](#) that many consider “the most anticipated slide deck of the year.” This year’s report contains 355 slides, but in the interest of time and efficiency, here are the top trends identified by AdAge:

- The global smartphone is getting saturated. Shipments of smartphones grew just 3 percent year-over-year in 2016 vs. +10 percent in 2015.
- Time spent using the internet on mobile devices ticked up again in 2016 to 5.6 hours, up from 5.4 in 2015. Desktop and laptop internet usage held steady at 2.2 and 0.4 hours, respectively.
- Mobile advertising revenue grew 22 percent in 2016, eclipsing desktop ad revenue.
- Internet ad revenue is set to overtake TV advertising globally in 2017 (this already happened in the US in 2016).
- Google and Facebook have captured 85 percent of the growth in internet advertising.
- High concerns among social media marketers about ROI and rising use of ad-blocking software, but leading online ad platforms, from Facebook to Google to Snap to Pinterest, are upping their game in terms of effective ad targeting and measurement.
- The visual web continues to grow in importance and sophistication. “A lot of the future of search is going to be about pictures instead of keywords.” –Ben Silbermann, Pinterest Founder/CEO.
- Image-recognition and voice-activation are increasingly replacing typing, particularly on mobile.
- An e-commerce “a-ha”: package/parcel volume growth is up 9 percent YOY as consumers increasingly turn to the likes of Amazon vs. brick-and-mortar stores; YOY e-commerce growth (+15 percent) also gets called out.

Media disruption continues at a “torrid pace,” with digital leaders transforming the marketplace by offering better user experiences and lower prices, while leveraging data and scale. The likes of Spotify and Netflix get shout-outs here, with one remarkable slide showing how Netflix went from near zero to 30 percent of the US home entertainment market in 10 years.

OOH continues to deliver exceptional value to advertisers due to:

- Massive reach
- Inability to be skipped, blocked, or turned off
- Proximity to point of sale or transaction





Finally, OOH is a pure ad play, and because it's not attached to consumer programming content, it remains unaffected by the audience fragmentation hurting traditional forms of media.

Two new 2017 research studies highlight the power of OOH in amplifying digital media engagement:

- The [Nielsen OOH online activation study](#) found OOH was much more effective in driving online activation than other offline media types, achieving activation at four times the expected level.
- [The Benchmarking OOH ROI and Media Mix Optimization study](#) reports OOH boosts the ROI effectiveness of search by over 40 percent when added to media plans.

Source: AdAge, Nielsen, Benchmarking