NEW YORK, Oct. 16, 2013 /PRNewswire/ -- At its annual client and industry leadership conference, Ad Revenue 6, PubMatic will unveil a study showing that Real-Time Bidding (RTB) is bolstering its position as the fastest growing digital ad segment, and is predicted to increase to $20.8 billion in spending worldwide by 2017. The study, conducted by research firm IDC and commissioned by PubMatic, describes how RTB spend will continue its rapid growth as a percentage of digital advertising spending, rising from a respectable 14% in 2013 to a massive 41% over the next four years in the United States, and from 8% to 28% worldwide. Unlike other studies on the online advertising space, this study looks at worldwide programmatic adoption and trends.

While the United States will remain the most mature and advanced market for programmatic spending, growing at an anticipated average rate of 48% a year from $2 billion in 2012 to a predicted $14.4 billion in 2017, other markets are poised for rapid growth as well.

IDC's research predicts that the Western European market will grow from $381 million in 2012, to $3.3 billion in 2017, with RTB's display advertising spend share rising from 5% to 23%, while Japan's programmatic spending will grow from $218 million to $1.1 billion with advertising spend share rising from 5% to 28%.

"There is a reason that people are excited about enterprise-grade ad tech right now, and the numbers in this study go a long way towards explaining why," said Rajeev Goel, Co-Founder & CEO of PubMatic. "The continuing rapid growth of RTB, a technology that PubMatic pioneered, is breathtaking, and it is clear that these developments benefit publishers and advertisers alike."

Direct sales and indirect sales are driving the growth in RTB. Direct sales over RTB is already driving revenue growth and operational efficiency across the ecosystem. Evidence of this can be found in the 176% average annual growth of direct sales over RTB to $6.3 billion globally between 2012 and 2017. For the United States, IDC predicts that by 2017 a quarter of all direct sales will be driven by RTB, and that number will rise to 80% by 2022. A significant part of RTB's growth during this period will also come from mobile.

Additional findings from the report include:

- In the U.S., RTB on mobile will grow to a $1 billion market by 2015, and $3 billion by 2017;
- Based on a more rapid maturation of the mobile RTB space than was anticipated, last year's U.S. forecast for mobile RTB of $273 million by 2016 has been reforecast to $1.9 billion;
- Video sales over RTB will grow to $1.7 billion in 2017.

Information-gathering and analysis for the IDC White Paper, commissioned by PubMatic, was led by Karsten Weide, Program Vice President, Media & Entertainment, IDC. The findings were derived from multiple sources including in depth interviews with senior online advertising industry executives in the U.S., UK, Germany, France, Japan, China and India as well as IDC's own proprietary research. IDC uses a predictive model to forecast RTB data. This report was a follow-up to the report PubMatic commissioned from IDC for October 2012's Ad Revenue 5 Conference.

The full IDC White Paper, commissioned by PubMatic, Real-Time Bidding in the United States and Worldwide, 2012-2017 (October 2013) is available for download here: http://www.pubmatic.com/reports-and-whitepapers.php

About PubMatic PubMatic is the technology platform that powers the programmatic advertising strategy of leading publishers and premium brands. Our innovative solutions help content providers drive the highest value for their digital media assets and provide consumers with a more personalized advertising experience across display, mobile and video. PubMatic's One Platform, proprietary technology and advanced mobile capabilities are utilized by a global roster of comScore publishers. Pioneering online auctions for the buying and selling of media through Real-Time Bidding (RTB) and Private Marketplace (PMP), the company also works with over 400 advertising partners. Ranked by Deloitte as the third fastest growing company in the US Internet sector, PubMatic has offices worldwide with headquarters in Redwood City, California. www.pubmatic.com

About IDC International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. IDC helps IT professionals, business executives, and the investment community to make fact-based decisions on technology purchases and business strategy. More than 1,000 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. For more than 49 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. You can learn more about IDC by visiting www.idc.com .

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