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How CafeMedia Recouped Millions Through Ad Block Recovery

THE COMPANY IS EARNING OVER $100,000 IN INCREMENTAL REVENUE PER MONTH
BY TRISHLA OSTWAL

Publisher CafeMedia, which runs sales for titles like MacRumors and Stereogum, has managed to recoup millions of dollars in previously blocked ad revenue over the last two years.

Between October 2020 and June 2022, CafeMedia detected over 500 million pages with ad blockers running on them. Thanks to ad-block recovery firm Blockthrough, it was able to monetize nearly 350 million of these pages.

This has generated the company an incremental revenue of "over a million dollars," said Paul Bannister, chief strategy officer at CafeMedia, who saw an uptick in its revenue per page view. Before using Blockthrough, CafeMedia was unable to monetize its ad block pageviews, however, its analytics tools were still recording visits from users. As the company started to monetize these ad block users, the average revenue per pageview consequently increased. Bannister would not share the exact figures.

> ### "This is revenue that goes back into powering the creator economy."
> Paul Bannister, chief strategy officer, CafeMedia

Poor user experience and heavy ads drove up the use of ad blockers to concerning heights in 2015. The financial blows for the publishing industry spurred companies like CafeMedia to turn to ad-blocker revenue recovery services to reclaim income that would be otherwise lost. This led to some recovery companies forcing ad block users to view ads, before publishers ultimately cleaned up their ad experience and developed more respect for their audiences' choices. As publishers and advertisers prioritized user experience, the rate of ad blockers has somewhat stabilized, but monetizing the ads lost is still an issue for publishers.

CafeMedia has been bringing in more than $100,000 in incremental revenue per month since using Blockthrough's Acceptable Ads-based recovery solution, which allows publishers to earn revenue by serving light, non-intrusive ads to people who consent but who also have ad blockers on.

Poor user experience and heavy ads drove up the use of ad blockers to concerning heights for the industry in 2015.
Photo Illustration: Adweek

"And that number keeps increasing," said Bannister. "This is revenue that goes back into powering the creator economy, that—in turn—powers the web and keeps it open and freely accessible."

With a monthly audience of 181 million U.S. unique visitors, for CafeMedia to monetize even two-thirds of its ad block traffic translates into substantial revenue, Bannister said.

However, it wasn't all wasn't smooth sailing for CafeMedia, which previously partnered with several ad blocking revenue companies—but "they all failed for the same reason," said Bannister. He notes the ad block saga for its constant game of cat and mouse, where ad recovery companies identify ad block users and then hide the ad code so the ad block would fail, frustrating people who are already tired of seeing ads.

"That would work for a week, then the ad blockers would figure out the masking and would block it," he said.

CafeMedia even carried out additional engineering resources on its end. "But ultimately we were doing something that was really against the wishes of the user," said Bannister.

From ad blocking to filtering

CafeMedia pivoted its approach from strict ad blockers to ad filters. Through the Acceptable Ad standards, Blockthrough restores its existing demand stack, including Prebid and Amazon's Transparent Ad Marketplace—and Google AdX.

The Acceptable Ad standards include basic display ads that don't interfere with the user journey, but prohibit flashy, animated ads.

These ads "are rated very highly on the annoying scale," said Marty Krátký-Katz, co-founder and CEO at Blockthrough.

Overall, there's been an increase in the adoption of Blockthrough's Acceptable Ads. In 2020, the number of people consenting to receive Acceptable Ads crossed 200 million, with a 435% growth on mobile from 2019 to 2020, the company said.

Desktop ad blocking on the rise

Much has changed in the industry since the height of ad blocking nearly a decade ago. While desktop ad blockers have been stable for the last four years, it's slowly returning to the same level as it was in 2018, according to Katz, who—arguably—has some skin in the game.

Similarly, as mobile advertising evolves, the financial incentives that drive advertisers and publishers to cram too many ads into a page have resulted in the uptick of ad blockers within this environment.

"Smartphone ad block rates are absurdly high, in the 30% plus range," said Katz, referring to a report by Blockthorugh. "But this growth has not been seen in the traditional U.S. and EU markets. It's seen in markets like China, Indonesia, India," he said.

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