



EyeWonder Research From Limelight Networks(R) Reveals Online Video Advertising Increases Brand Engagement in North America; Online Video Advertising Poised for Breakthrough in Europe

TEMPE, Ariz., May 19, 2011 (GLOBE NEWSWIRE) -- Limelight Networks, Inc. (Nasdaq:LLNW) ("Limelight"), through its EyeWonder Interactive Advertising Services ("EyeWonder") group, today released two new research reports featuring the growth of online video advertising in North America and Europe. The report, Utilizing Video as a Path to Conversion, examines the opportunity of online video advertising as a tool for marketers and develops a set of best practices for video length and completion rates. The second report, Tipping Point: A European perspective on online video advertising, is authored by European thought leaders and reveals that online video advertising is poised for growth across Europe.

Video Ads Engage Viewers Online, Enhancing Brand Interaction

"Video is an emotional and powerful way for advertisers to communicate with customers," said John Vincent, CEO, EyeWonder. "Today online video advertising presents consumers with a myriad of opportunities to interact with brands. Advertisers are loading ads with engaging features leading to increased interaction rates. With video ads accounting for 12.8% of all videos viewed and 1.2% of all minutes spent viewing video online, the opportunities for brand marketers now and in the future are nearly endless."

According to EyeWonder research, instant-play video has proven to be a valuable tool to engage viewers through online video advertising. In 2010, EyeWonder served over 2.5 times more instant-play video ads than user-initiated video, which had click-through rates 1.5 times higher than user-initiated video ads.

EyeWonder data also uncovered clear best practices for video length and completion rates for vertical industries. For television, the 30-second spot is clearly the standard. However, for online advertising, EyeWonder data shows that for marketers wanting to gain maximum audience impact and engagement, video ads are most effective when they last 30 seconds or fewer.

Formats have evolved to include more interactivity. In-stream video ads are evolving beyond traditional pre-roll spots to include interactive pre-roll, bugs, tickers and choose-your-own ad experiences, and these non-linear formats are taking center stage in terms of innovation and engagement. Though EyeWonder served over 13 times more linear in-stream impressions than non-linear in 2010, unique interaction rates for the latter were 16.13% vs. 4.46% for the former, proving audiences will interact with an ad unit—if it's compelling enough—before watching their desired content.

Online Video Advertising Poised to Take Off in Europe

"The market for online video advertising is on the verge of taking off in Europe," according to Erwin Plomp, President, EyeWonder EMEA, in the report Tipping Point: A European perspective on online video advertising. "A number of factors, such as a shortage of supply of original video advertising content and insufficient website infrastructure to more attractive pricing and evolving measurement standards are forming a highly favorable climate for growth."

Online video advertising in Europe suffers due to perception that viewing online content is just like viewing television online. EyeWonder's Plomp remarked that online is given a small percentage of budget available. Simple reuse of video intended for television also impacts brands negatively. Brands and creative agencies must view content through an online audience's eyes and develop that online content specifically for this interactive environment.

Video advertising pricing is still high in some markets, but there's a case to be made for moving away from CPM to cost per acquisition and cost per engagement (CPA and CPE). As inventory increases, Plomp is confident that pricing and pricing models will evolve to measures that include performance-based metrics.

Measurement is another concern for the nascent video advertising industry in Europe—as it is globally. While traditional television metrics have proven acceptable for decades, measurement standards for online advertising are still evolving with organizations such as the IAB. The VAST and VPAID global initiatives from the US were launched to bring greater consistency to online video planning and buying and to develop a system akin to other media such as TV. IAB in the UK and other local IABs in Europe are working with industry partners to implement VAST and VPAID in Europe.

Finally, formats are key to engaging the viewer in Europe as well as the US. In-stream formats dominate over other formats

such as in-banner among early adopters. Yet, interactivity is valuable to developing online video advertising that performs for brand marketers. For advertisers new to online video ads, repurposing content will be a cost-effective solution to learn how video advertising performs. For early adopters, with good creative planning such as filming extra footage during production of a TV ad for use in online can increase interactivity and engagement while saving budget.

Please visit Limelight online to obtain copies of the reports:

Video as a Path to Conversion: <http://www.limelightnetworks.com/resources/video-conversion/>

European video report: <http://www.limelightnetworks.com/resources/europe-video>

About Limelight Networks, Inc.

Limelight Networks, Inc. (Nasdaq:LLNW) provides solutions that enable business and technology decision makers to profit from the shift of content and advertising to the online world, the explosive growth of mobile and connected devices, and the migration of IT applications and services into the cloud. Approximately 1800 customers worldwide use Limelight's massively scalable software services that engage audiences, enhance brand presence, analyze viewer preferences, optimize advertising, manage and monetize digital assets, and ultimately help build stronger customer relationships. For more information, please visit <http://www.limelightnetworks.com> or follow us on Twitter at www.twitter.com/llnw.

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