adex
Benchmark 2018

AdEx Benchmark Study H1 2018

November 2018

Digital Advertising in Europe

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iab.europe

IHS Markit

A meta-analysis of digital ad spend in Europe

GROSS

Spend Billed

NET

Revenue Billed
No Agency commissions

RATECARD

Campaigns x Ratecard

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Data for 27 markets in Europe

- Austria
- Belarus
- Belgium
- Bulgaria
- Czech Republic
- Croatia
- Denmark
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Netherlands
- Norway
- Poland
- Russia
- Romania
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Turkey
- UK

The size of the digital advertising market in Europe (H1 2018)

€25.7bn

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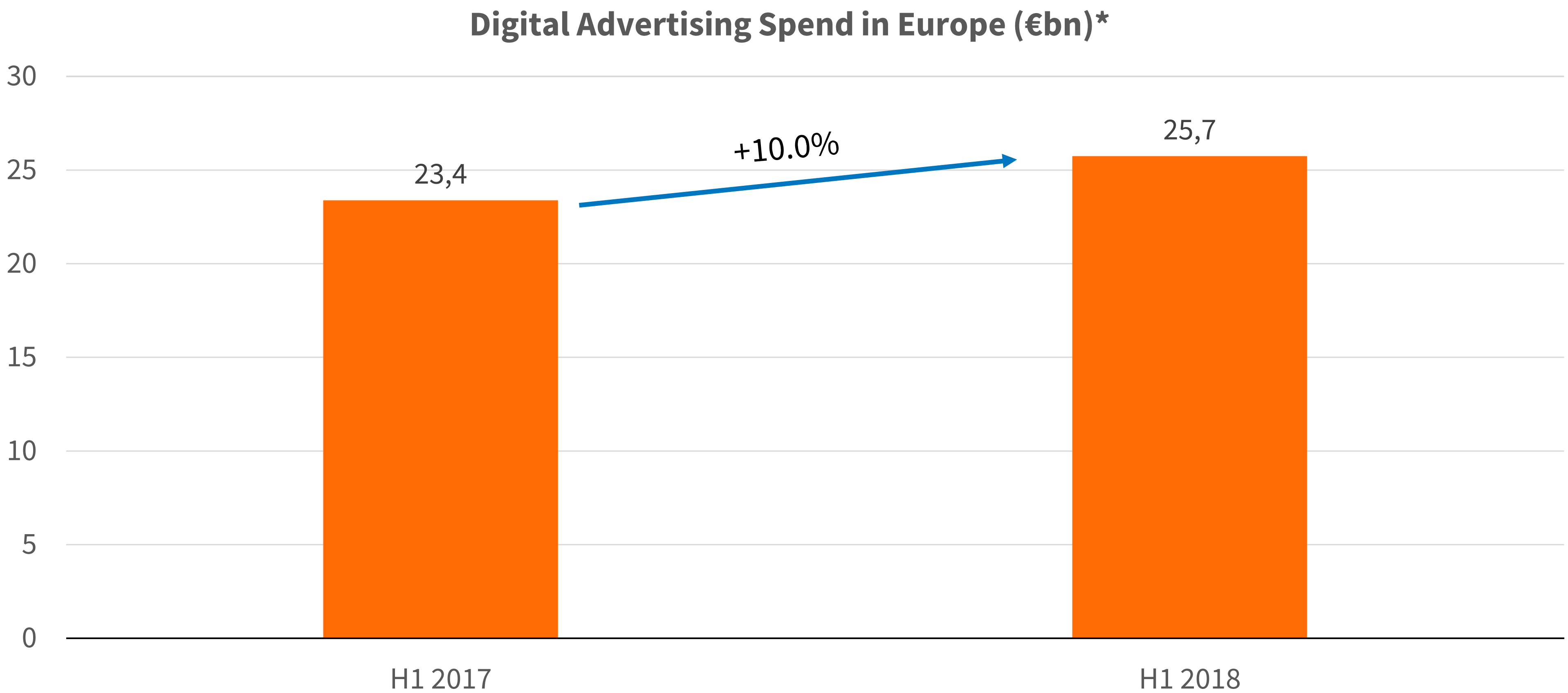
Digital advertising grew by 10% in H1 2018



*H1 2017 restated based on fx-rate, measurement changes by national IABs, and full measurement of out-stream video

Source: IAB Europe & IHS Markit

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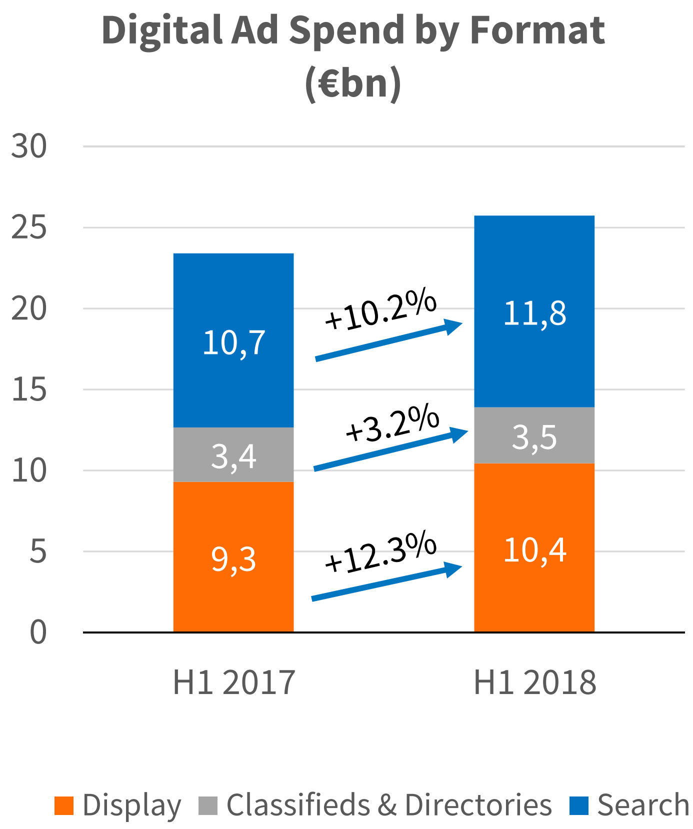
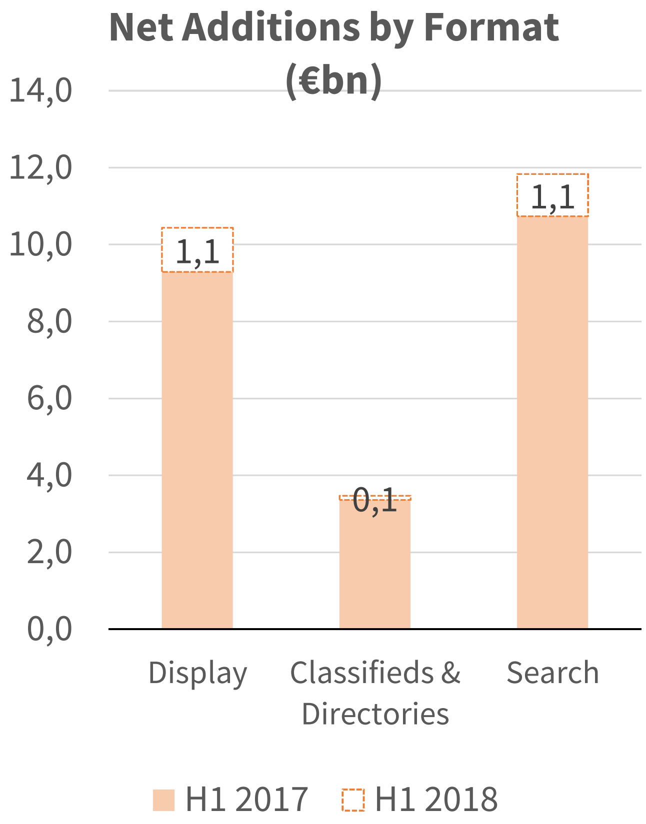
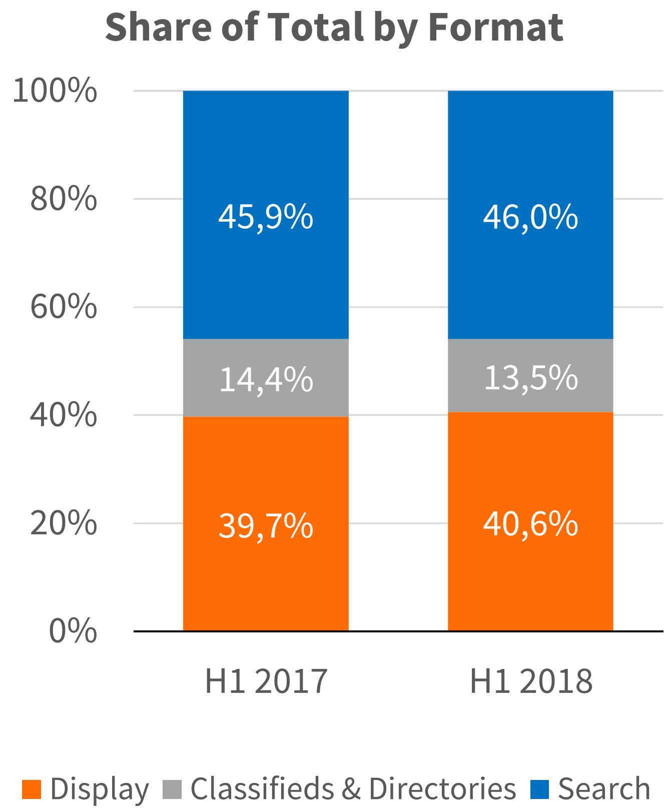
€2.3bn added in H1 2018 across 3 formats: display grows fastest, search maintains lead, classifieds & directories see slow growth







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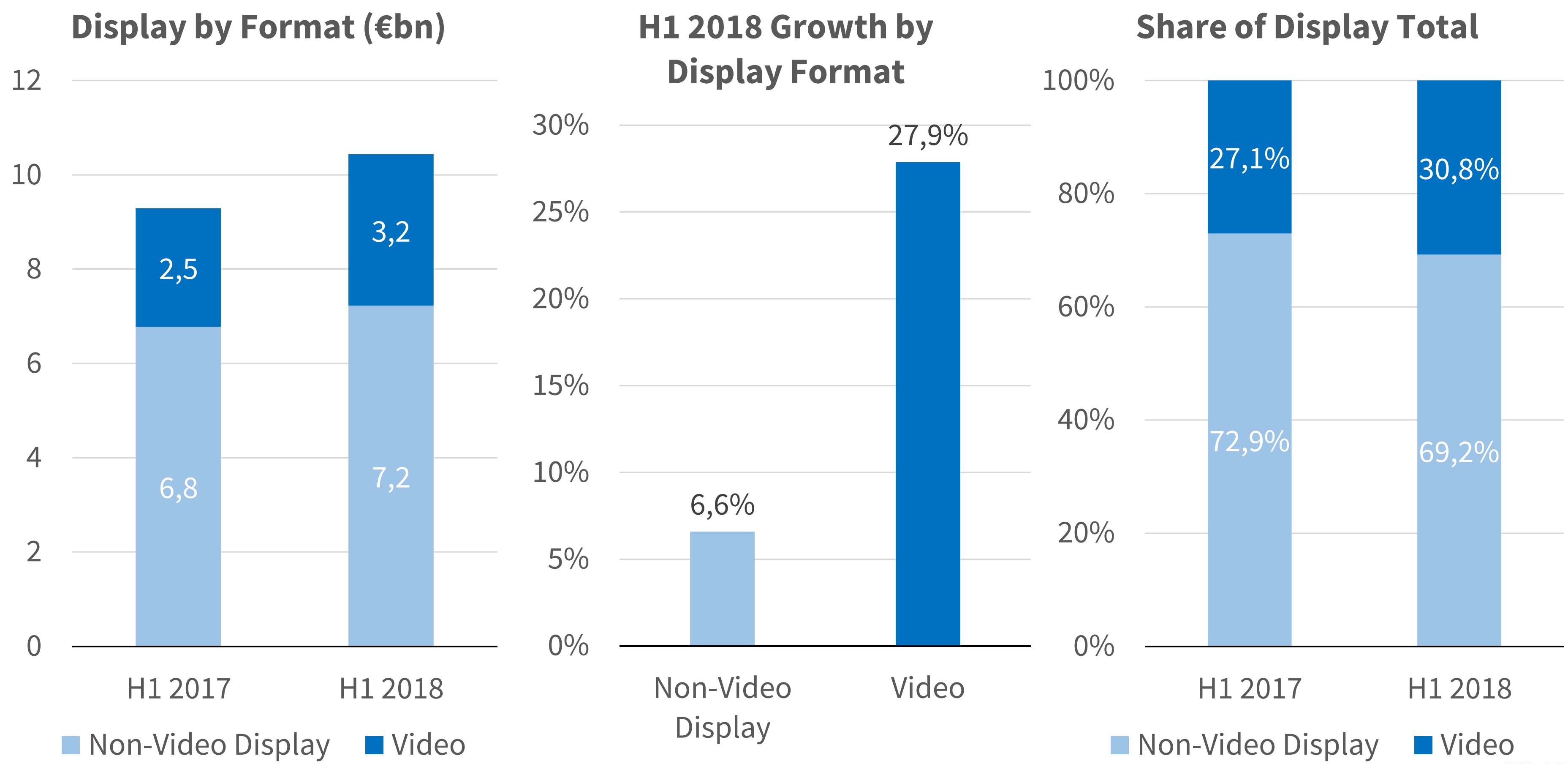
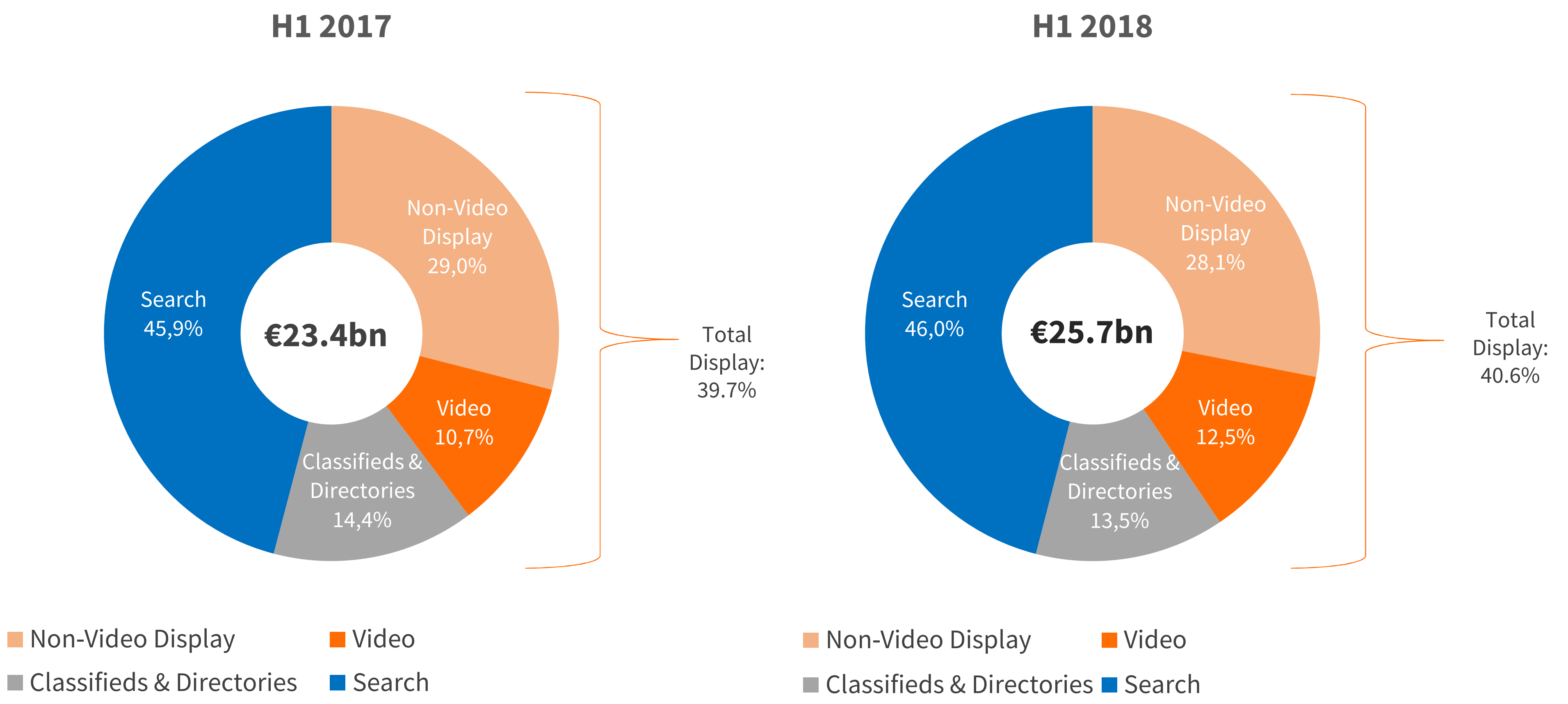
Source: IAB Europe & IHS Markit

Digital video reaches 30% of total display spend – growing 4.2x faster than non-video display spend



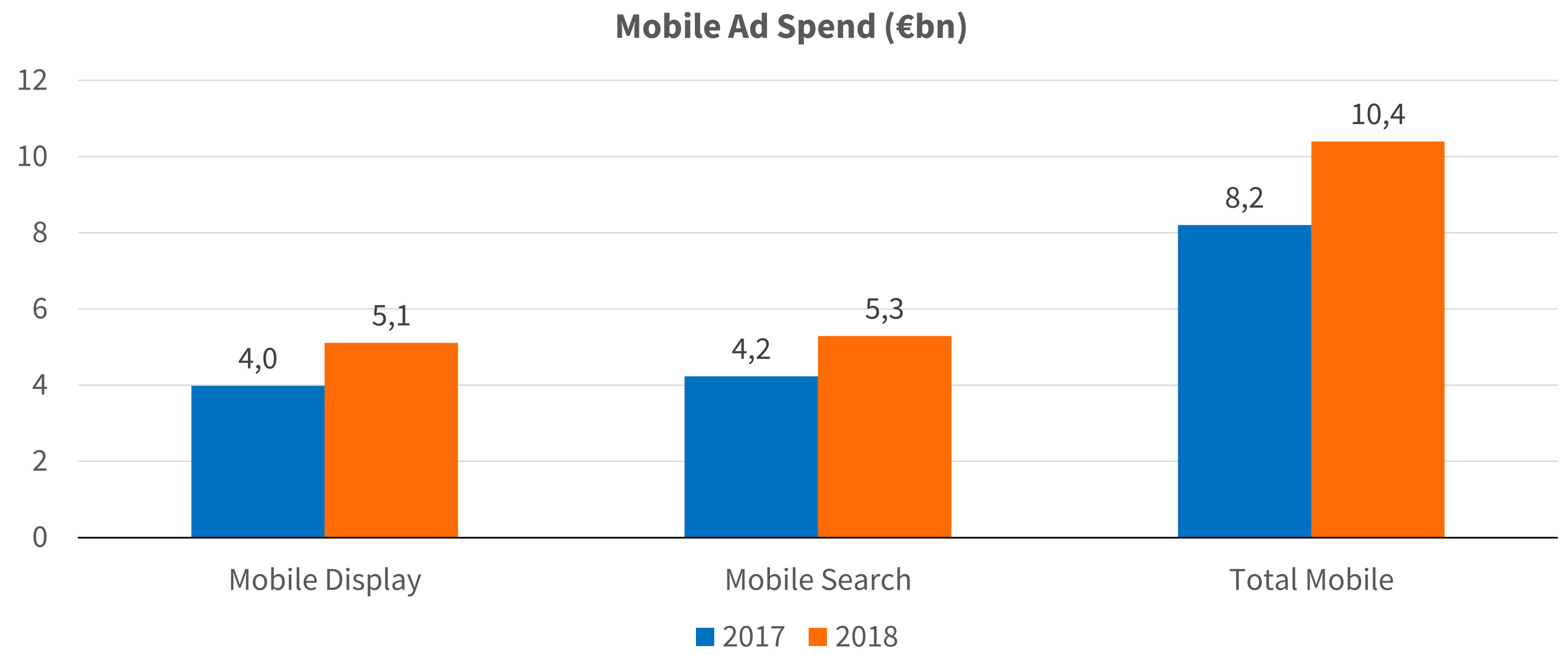
Source: IAB Europe & IHS Markit

The expansion of video drives the share gains of total display



Source: IAB Europe & IHS Markit

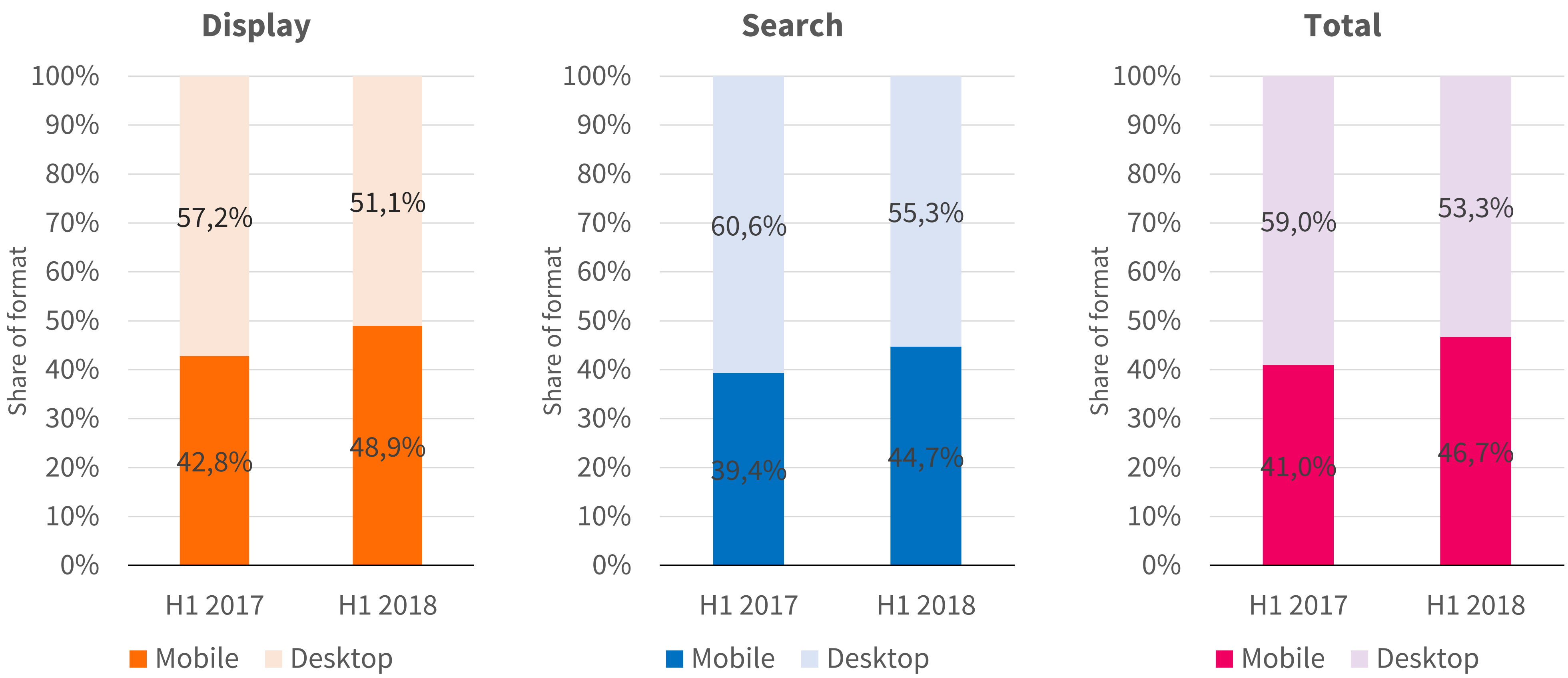
Mobile ad spend crosses €10bn mark in H1 2018



Note: In the H1 2017 study, several markets were excluded from mobile due to data availability. We have restated H1 2017 to include all markets.

Source: IAB Europe & IHS Markit

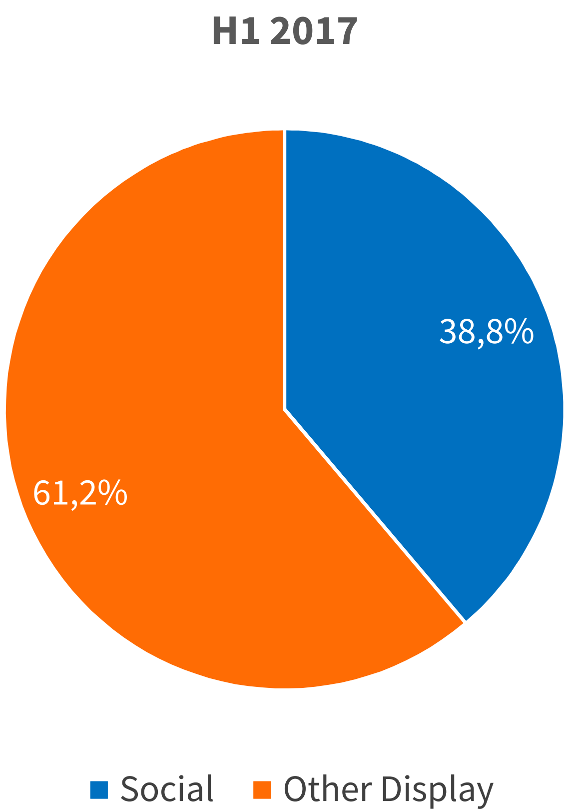
Mobile is approaching a 50% share of digital ad spend

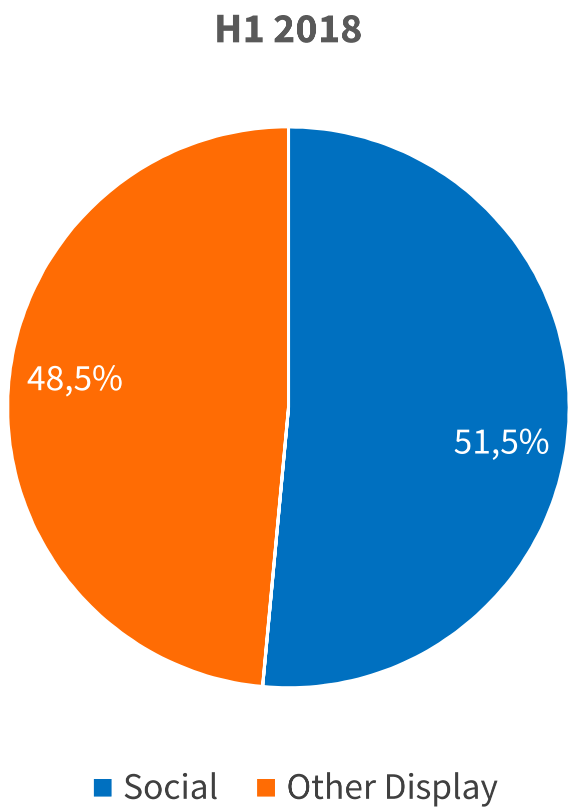


Note: shares based on extrapolation of mobile data to all countries

Source: IAB Europe & IHS Markit

Social accounted for more than half of all display spend in H1 2018





Source: IAB Europe & IHS Markit

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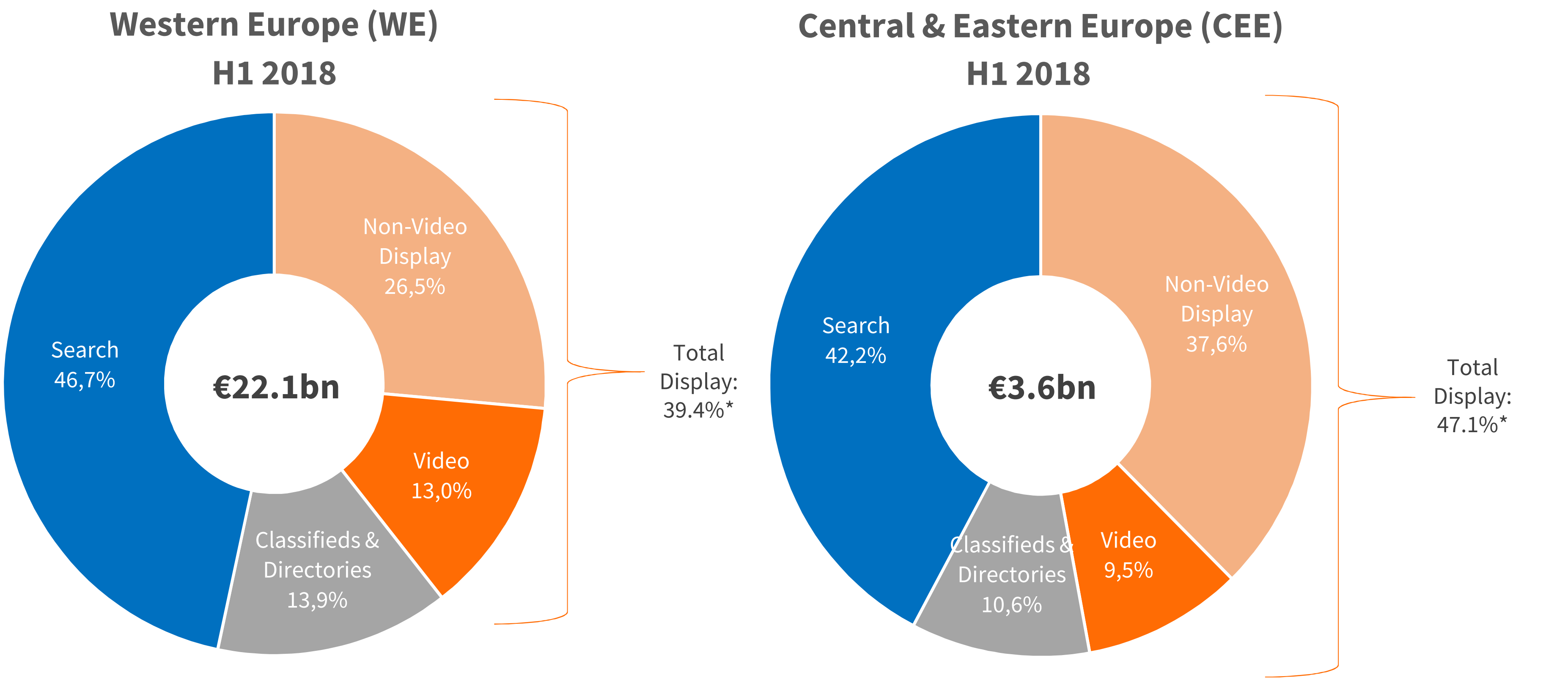
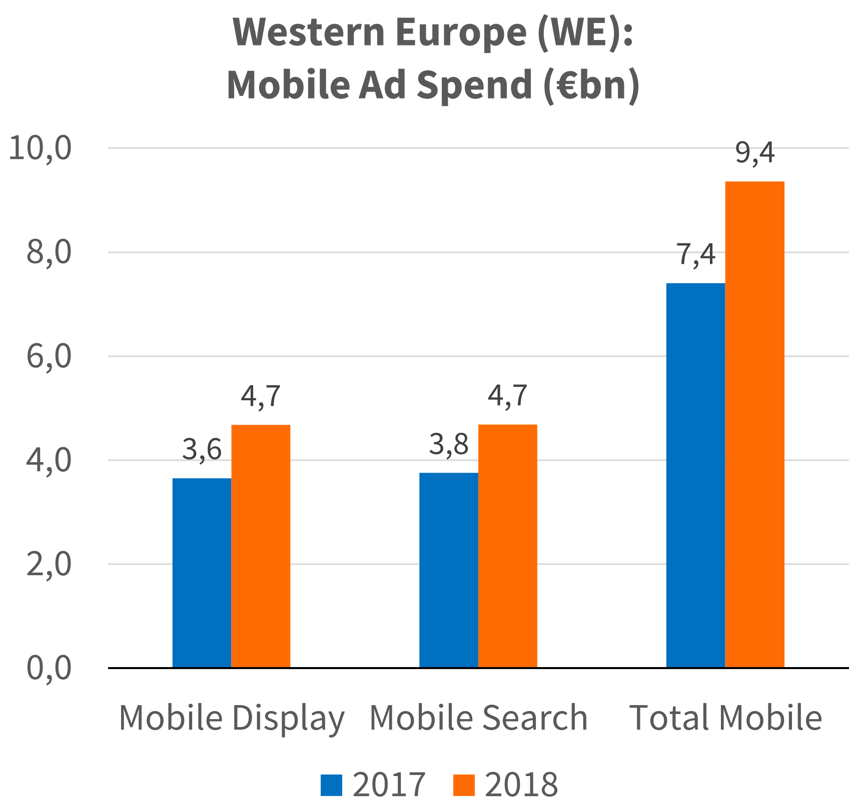
Regional comparison of digital ad spend by format

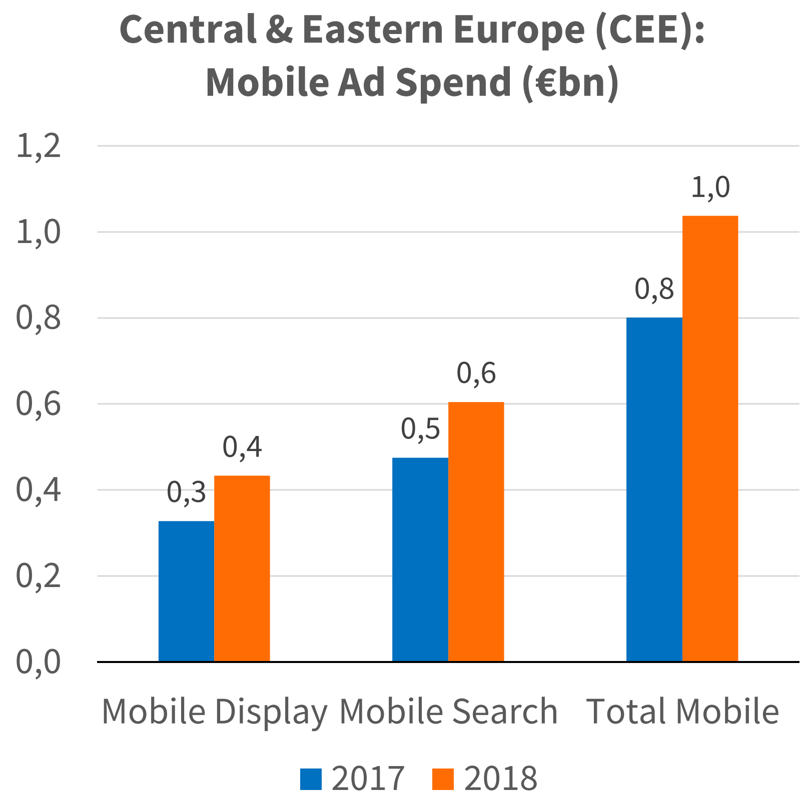


*may not add up to 100% due to rounding

Source: IAB Europe & IHS Markit

Mobile exhibits similar trajectories in WE & CEE





Note: In the H1 2017 study, several markets were excluded from mobile due to data availability. We have restated H1 2017 to include all markets.

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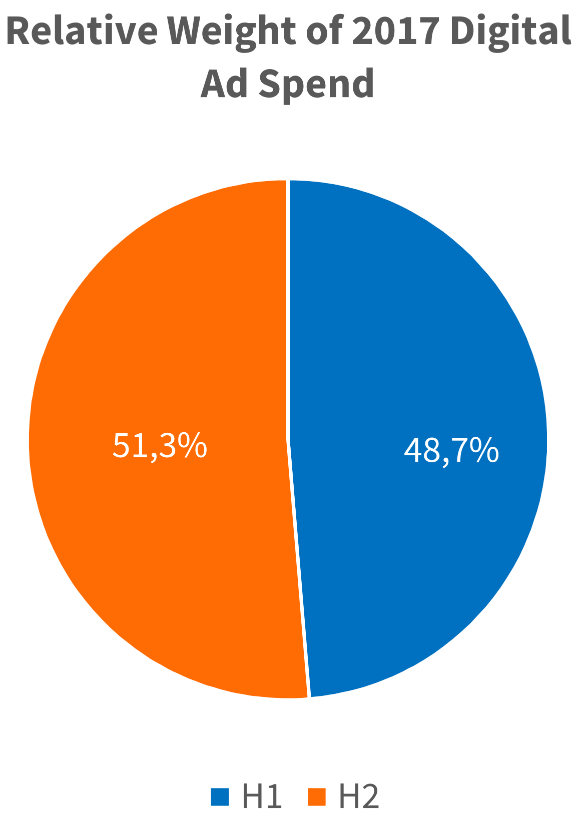
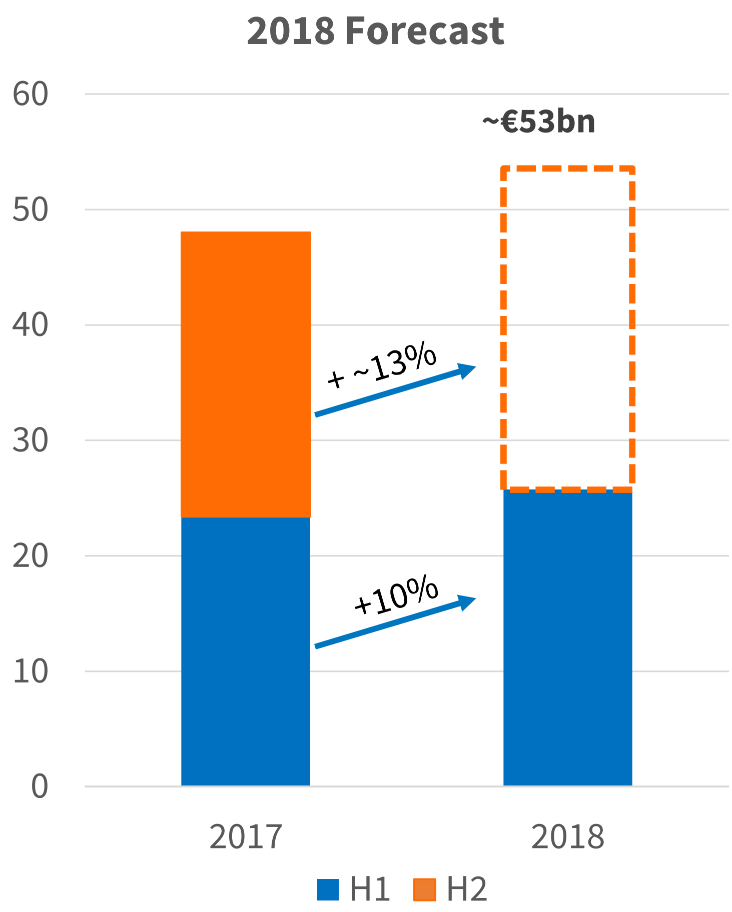
Source: IAB Europe & IHS Markit

Outlook to full year 2018





- GDPR has dampened investment in digital advertising in H1 2018 in several markets, in particular between March and June.
- Market feedback in H2 2018 signals that the cautious climate around GDPR is improving, suggesting stronger growth in H2.
- Assuming a slight acceleration of growth in H2 to 13%, we estimate the 2018 market to arrive at approx. €53bn.
- Factoring in measurement artifacts*, full-year growth for 2018 is likely to be between 11% and 12%. Brexit remains a key unknown that can still affect forecasts during the vital Christmas business.

*
(1) A minority of national IABs report half-year data, and often less granular than their full year reports;
(2) we need to rely on estimates and our proprietary database to a higher degree instead;
(3) measurement methods and survey scope of national IABs may change for full year 2018.

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Source: IAB Europe & IHS Markit

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