

Record Online Ad spend with growth of 20.5%

The H1 2011 IAB PwC Online Adspend Study values the Irish online market at €64.9m up from €53.9m in H1 2010. This represents a 20.5% increase year on year and surpasses industry predictions which estimated that 2011 adspend would grow by 10%.

Introduction: The IAB has been working with PwC since 1997 to survey the value of online adspend in Europe and North America. 26 leading publishers participated in the study, many of whom represent multiple websites. Other participants include 14 sales houses and advertising networks.

Adspend revenue is calculated on the basis of actual figures provided by study participants. Total advertising revenue is reported on a gross basis (including agency commission)

Online's Growth in context: The growth in online adspend is driven by increasing online audiences, growth of broadband penetration and increased time spent online, this contrasts sharply with the performance of other media who are experiencing fragmenting and declining audiences. Comparing the total online H1 2011 adspend with Nielsen's data for brand spend on other media during the same period, online ranks number 3 among advertising media channels with 13% of total media adspend.

Advertising formats:

Display: Display advertising experienced the most significant growth, up from 29% of total online adspend in H1 2010 to 34% in H1 2011. A 41% year on year growth.

Search: Paid for listings was the largest single format with a 45% share of the online market in H1 2011, and a 17% increase year on year.

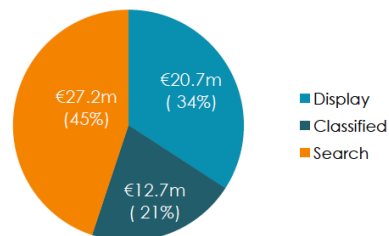
Classified: Classified accounted for a 21% share of online adspend in H1 2011 equating to €12.7m.

Mobile Estimate

Given the sharp increase in smart phone predicted to be at 55% of Internet users in 2012, we have at the request of advertisers and agencies provided an estimate of mobile display adspend in our study. The estimated value of display spend on mobile is €1.6m for H1 2011.

DIGITAL MEDIA MIX H1 2011

Breakdown by advertising format based on figures provided



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Analysis

IAB Ireland tracks the key drivers that are growing online adspend.

Greater time spent online – Time spent online each day now mirrors time spent watching TV.

Online: 2hr 44 mins

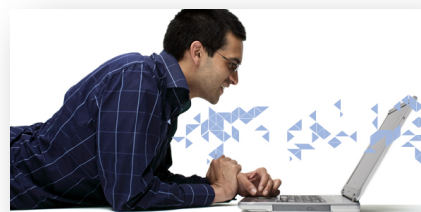
TV: 2 hrs 49 mins

Source: Red C Digital Trends 2011

Increased broadband connection – Fixed broadband grew by 8.3% between Q2 2010 and Q2 2011, Mobile Broadband grew by 14.8% between Q2 2010 and Q2 2011.

Positive Indicators for further growth in 2011

77% of participants in the IAB PwC study predict growth or strong growth in online adspend in the next 6 month period.



In association with :



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