

Online Adspend grows by 12.3% in 2012

The IAB PwC Online Adspend Study has recorded over 12% growth in online adspend for 2012 with ad revenues of €148.2m compared to €132 m in 2011.

Mobile Adspend for 2012 is €9.9m. Full year 2012 adspend including mobile crosses €150m mark to reach €158m

Introduction

The IAB has been working with PwC since 1997 to survey the value of online adspend in Europe and North America.

28 leading publishers participated in the study, many of whom represent multiple websites. Other participants include sales houses and advertising networks.

Adspend revenue is drawn up on the basis of actual figures provided by study participants. Total advertising revenue is reported on a gross basis (including agency commission). 2012 is the first year that Mobile Adspend has been measured in the Irish Market.

Growth in Context

Online Revenue Growth of 12.3% to €148.2m

Adspend on other media in 2012 has been valued by Nielsen at €794m down 6.2% year on year.

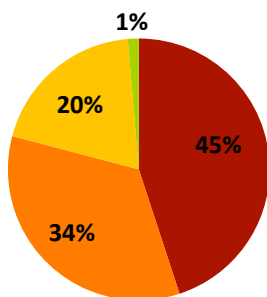
Advertising formats

Search: Paid for Search Advertising has grown from €53.9m to €66.6m yoy with a 45% share of total online adspend in 2012.

Display: Display advertising holds a 34% share with a spend of €50.6m and an increase of €2.8m on 2011. Growth in display advertising on social media sites contributes towards this figure.

Classified: Classified advertising grew by €3.3m in 2012 and holds a 19.6% share of total online adspend.

■ Search ■ Display ■ Classified ■ Other (not allocated)



FMCG retains poll position in display Adspend in 2012

- FMCG (15%)
- Finance (12%)
- Telecomms (11%)
- Automobile (10%)
- Retail (9%)

Classified adspend top industry categories:

- Automobile (36%)
- Recruitment and Property (34%)

Mobile Adspend for 2012 is €9.9m, of which 82% is Display and SMS / MMS and 18% is Search.

The Top Performers in Mobile Adspend for 2012 were:

- FMCG (28%)
- Retail (20%)
- Alcohol (16%)
- Travel (12%)
- Entertainment & Media (11%)

Key growth drivers:

- **Irish Online:** 80% of all Irish are online versus an EU average of 65% (IAB Mediascope Ireland results)
- Broadband penetration is at 65% (comreg).
- Ireland, UK and Russia skewing above average for Internet access via Mobile and Tablet (comscore).
- Smartphone penetration in Ireland is 43%, with 61% accessing the Internet every day on their smartphone (2012 Our Mobile Planet Smartphone Research)
- **Time spent online:** The average Irish person spends 19.5 hours per week online (comscore)



Positive Indicators for growth in 2012

54% of participants in the IAB PwC study predicted growth or strong growth in online adspend in the next 6 month period.

Vizeum are predicting an increase of 15% in 2013, with Core Media predicting an 11% increase.