



# Digital Advertising in Europe

*Daniel Knapp*



IHS Markit

# About the study

**adex**  
Benchmark 2017



# Data for 27 countries 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



# Big picture

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Market size digital advertising in Europe (2017)

**48.0bn**  
**(+13.2%)**

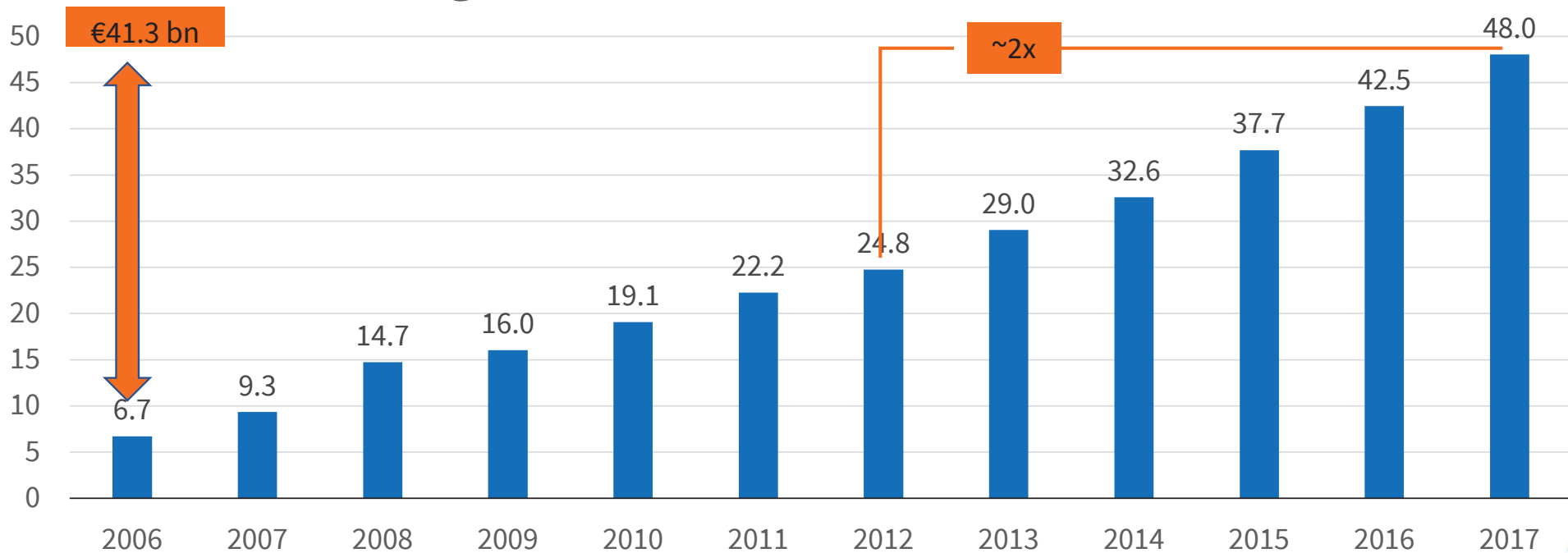
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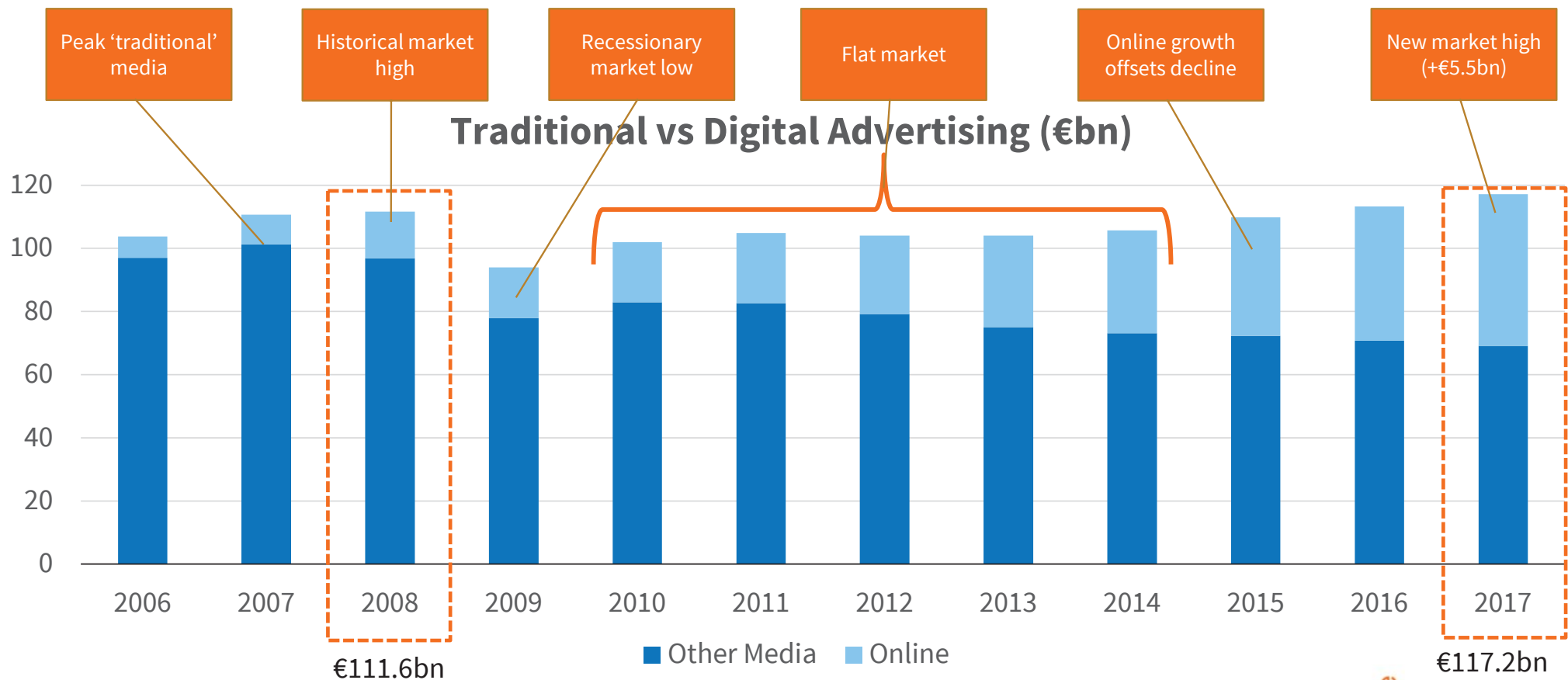
 IHS Markit

€41.3bn net addition in 12 years, market doubled in last 5 years

## Total digital ad spend: historical perspective

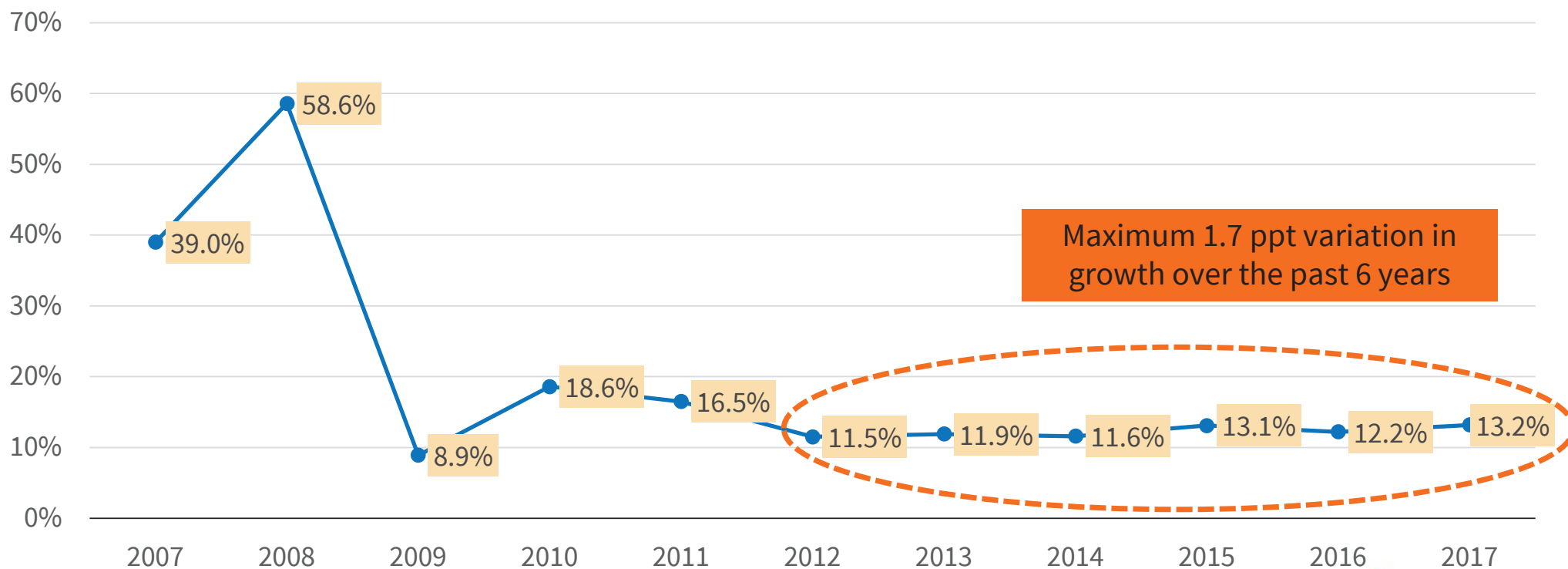


# Digital offsets losses of traditional media, establishing a new all-time advertising market high



”Plus ça change, plus c'est la même chose”: consistency in growth rates over past six years despite fundamental market restructure

### Historical digital advertising market growth



Maximum 1.7 ppt variation in growth over the past 6 years





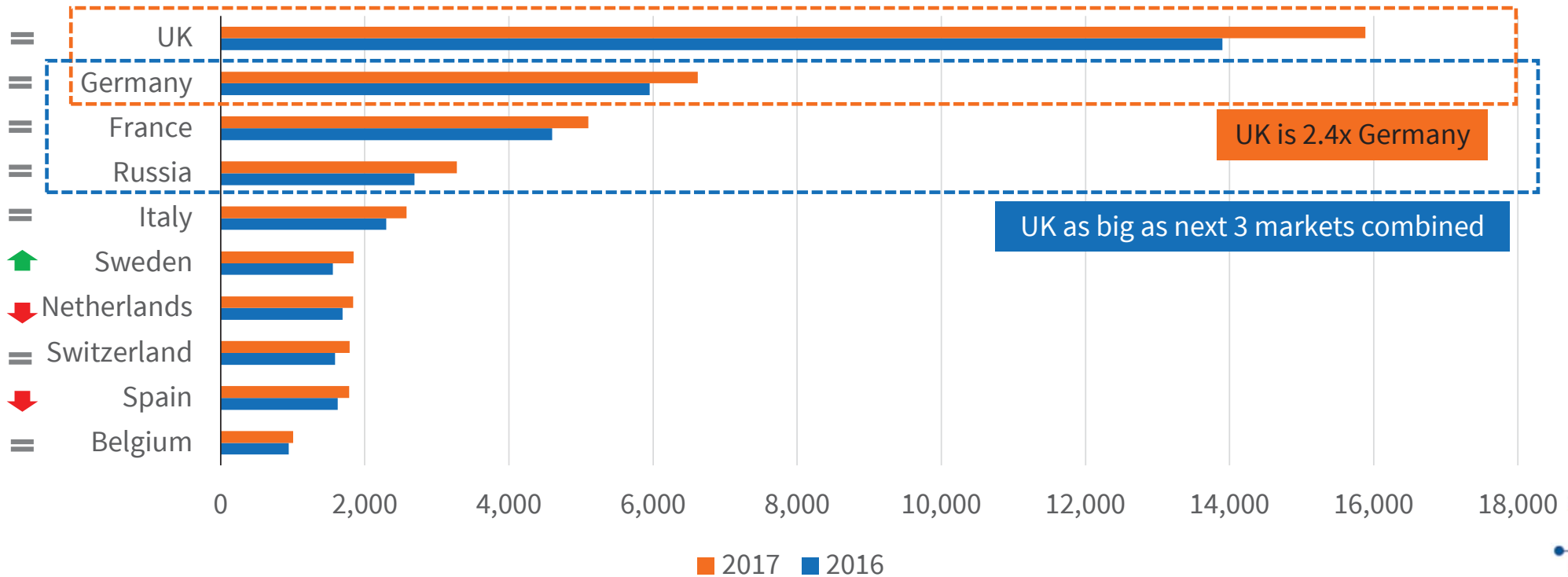
# Markets

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# Top 5 ranking stable, Sweden moves up, UK maintains lead

## Top 10 Markets Ranked

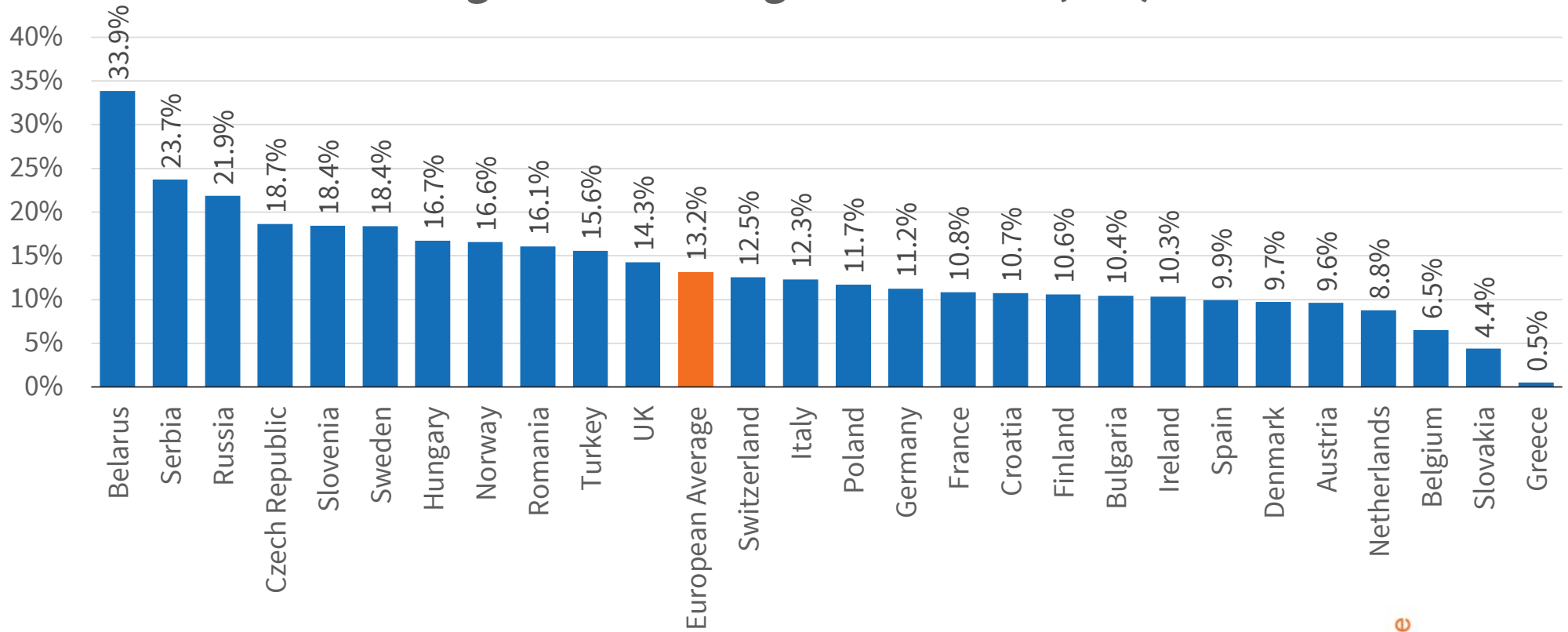


UK is 2.4x Germany

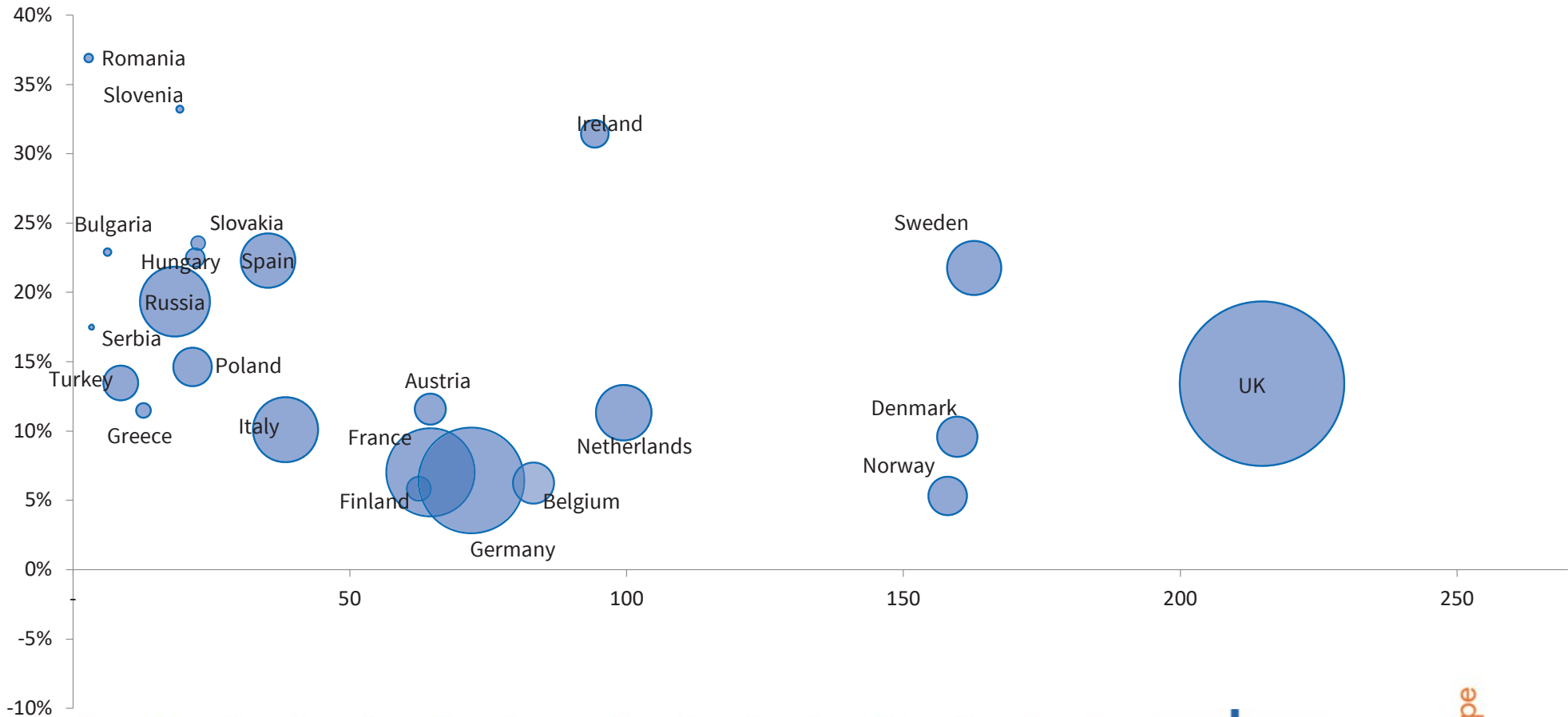
UK as big as next 3 markets combined

# Growth driven by CEE, Nordics, UK

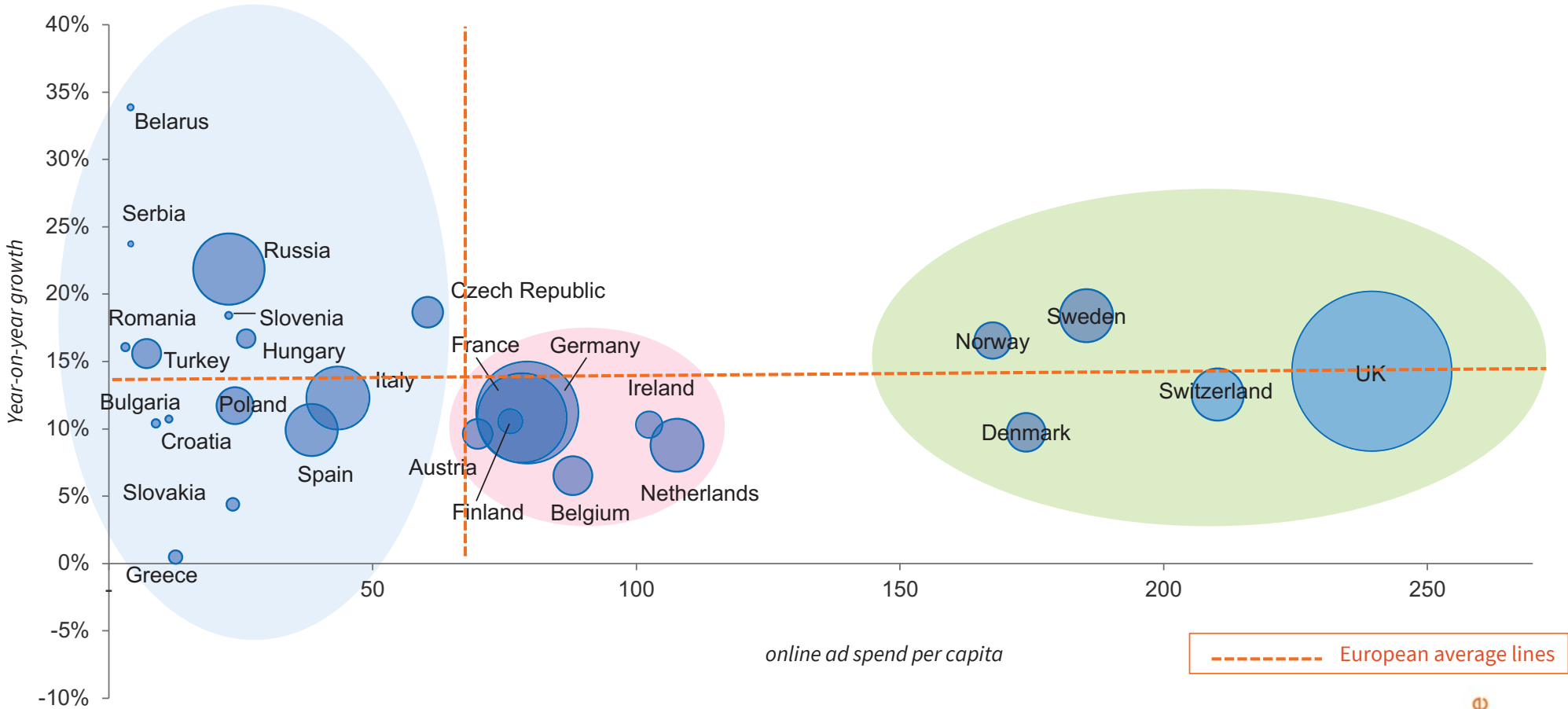
## Digital Advertising Growth 2017 (YoY)



## A look back at 2016...



# ...reveals a 3-tiered Europe in 2017



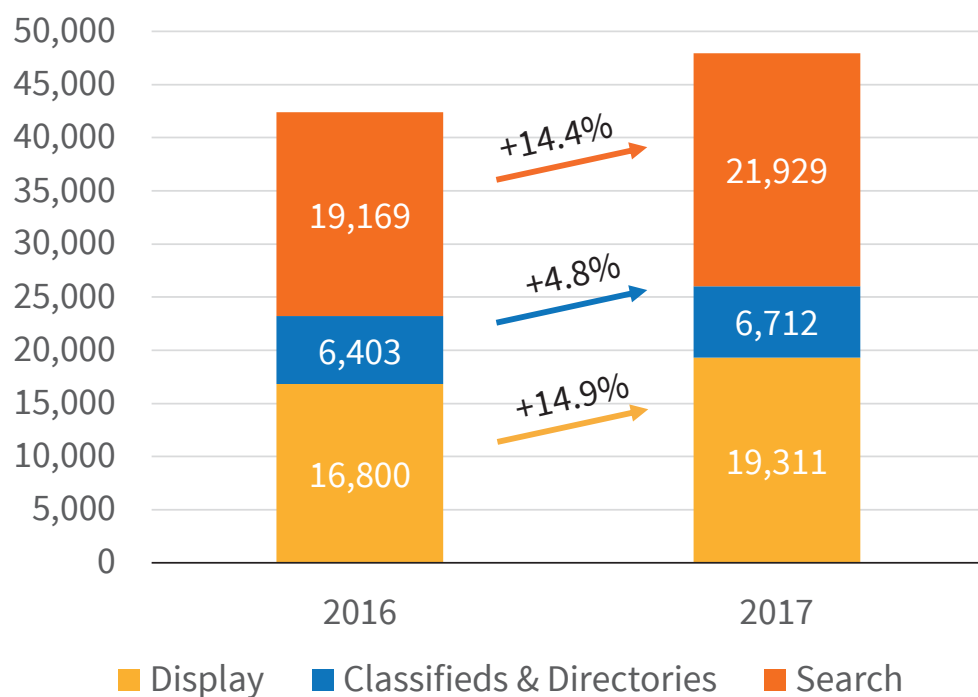
# Formats

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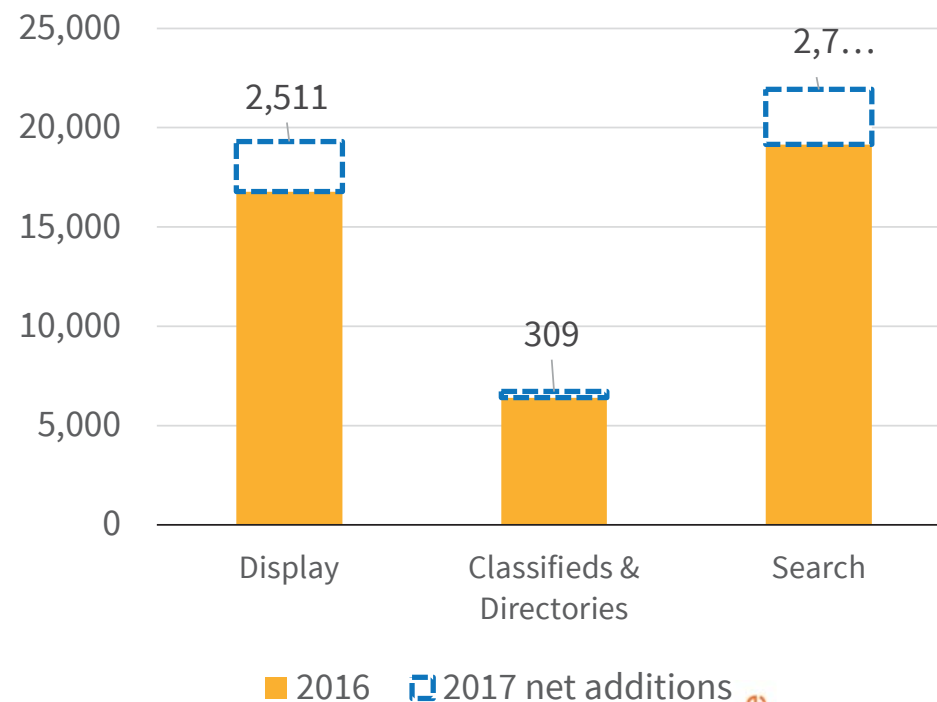


€5.5bn added in total

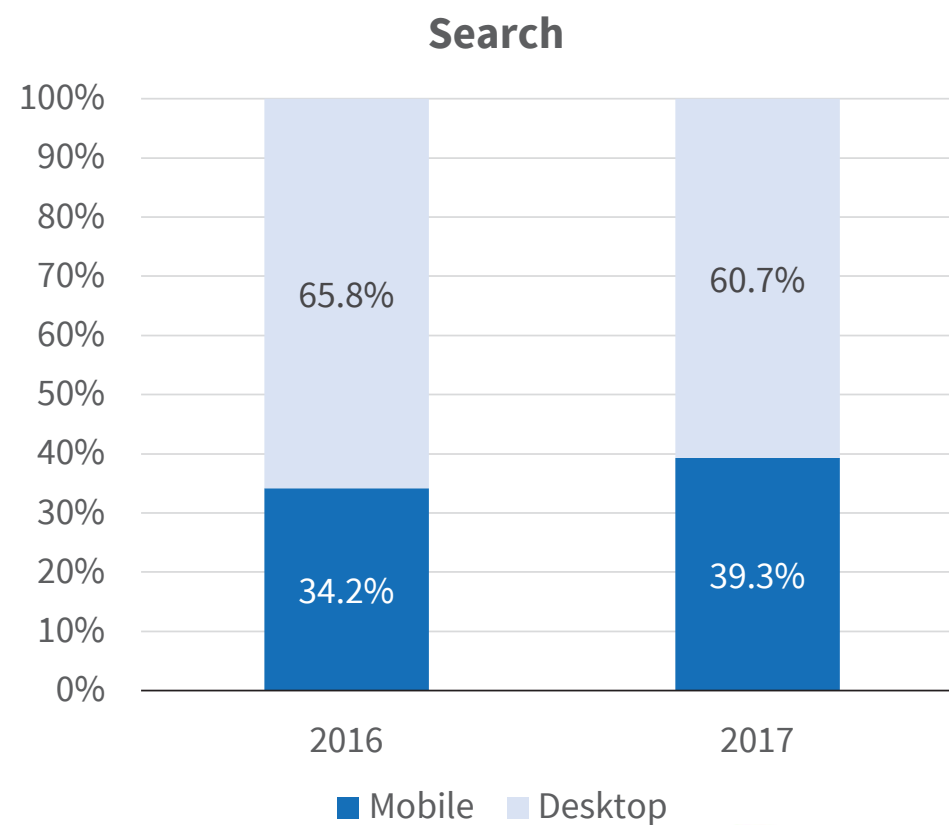
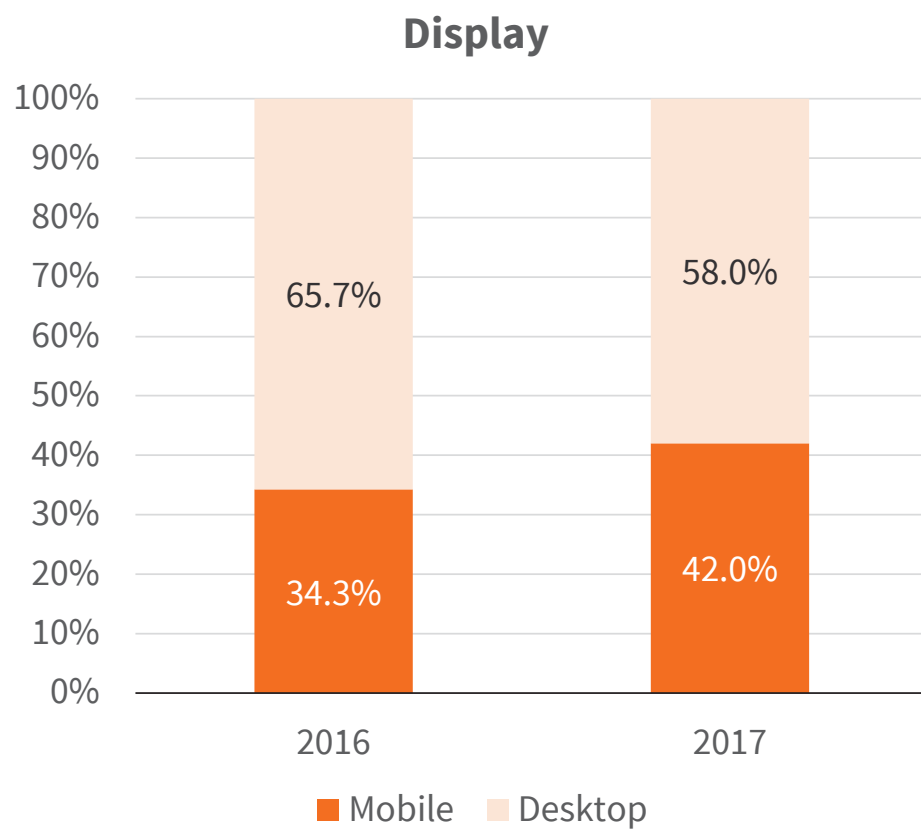
### Digital Advertising Spend by Format (€m)\*



### Net additions 2017 (€m)

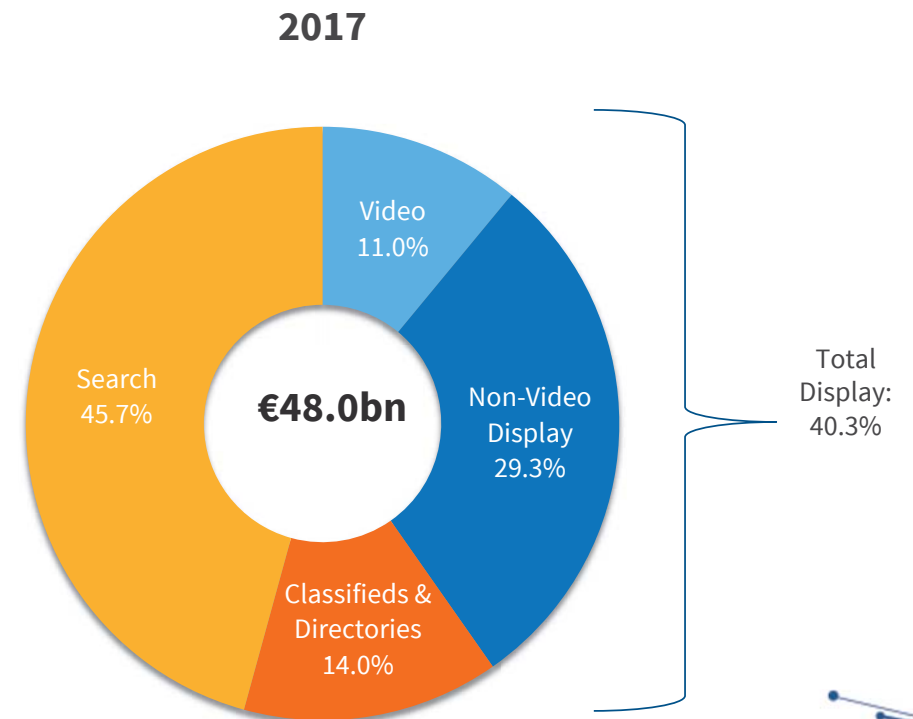
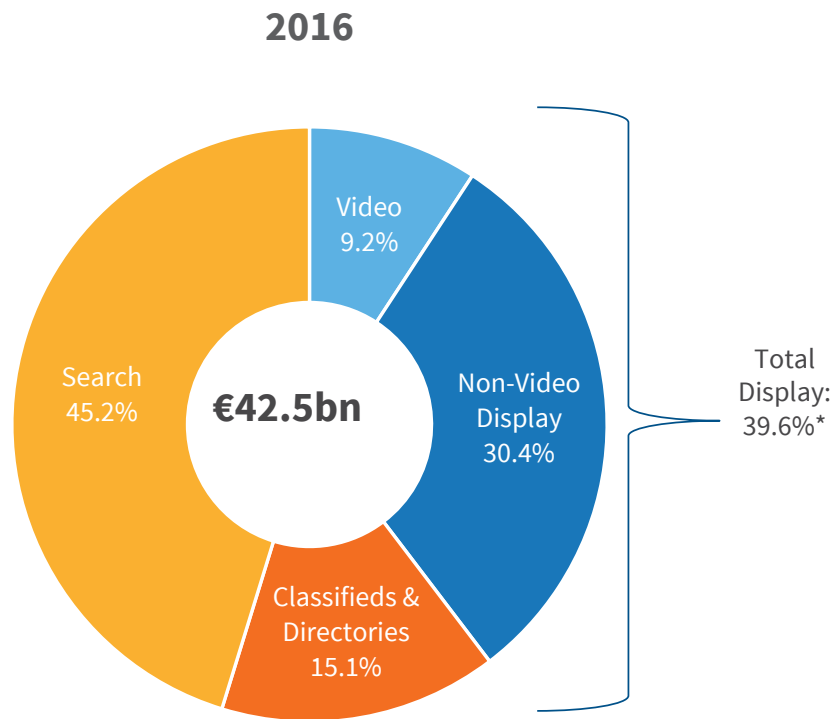


## 40% of digital ad spend is on mobile





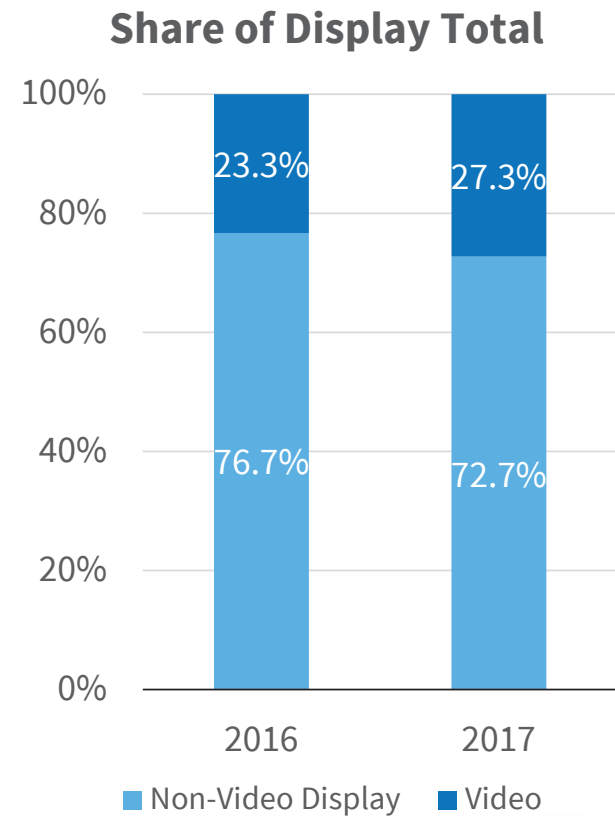
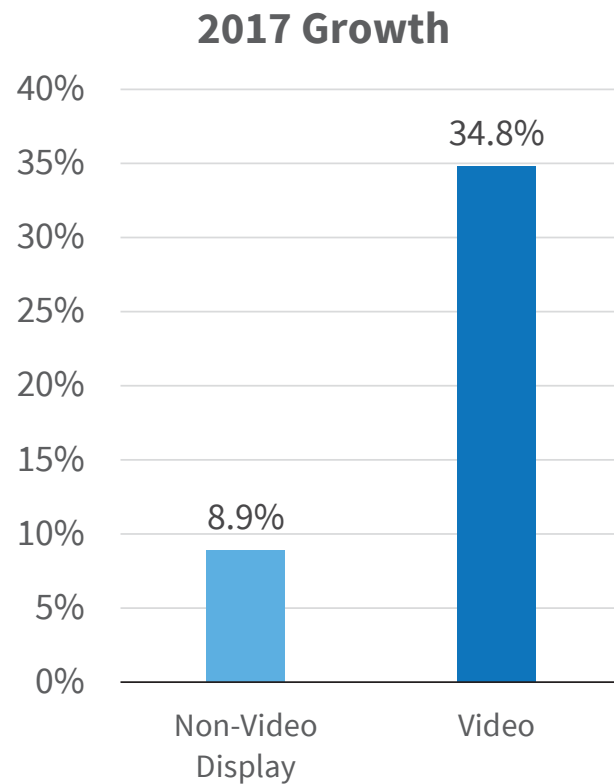
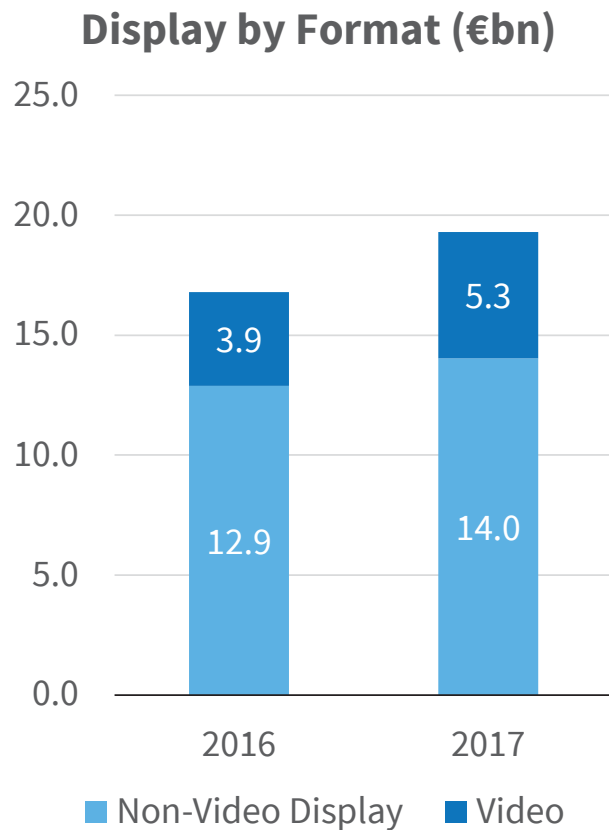
# Expansion of video drives share gains of total display



■ Video ■ Non-Video Display ■ Classifieds & Directories ■ Search

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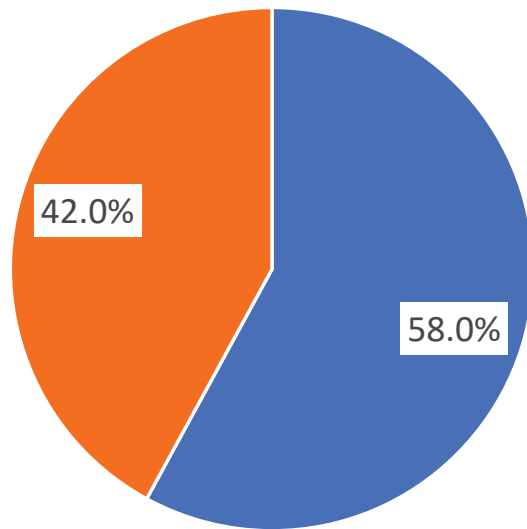
# Video reaches 27% of display, growing 4x non-video display



# Out-Stream (+73.4% YoY) overtakes In-Stream Video (+6.9% YoY)



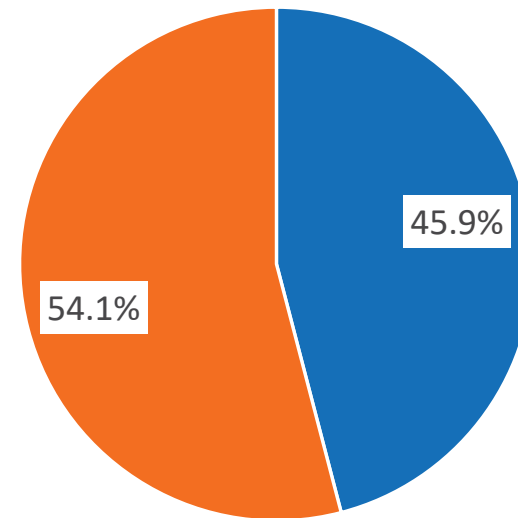
2016: Share of Digital Video Ad Spend



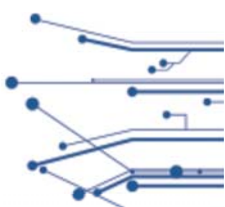
■ In-Stream ■ Out-Stream\*

\*incl. in-feed

2017: Share of Digital Video Ad Spend

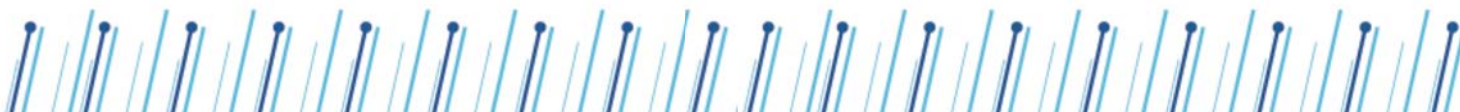
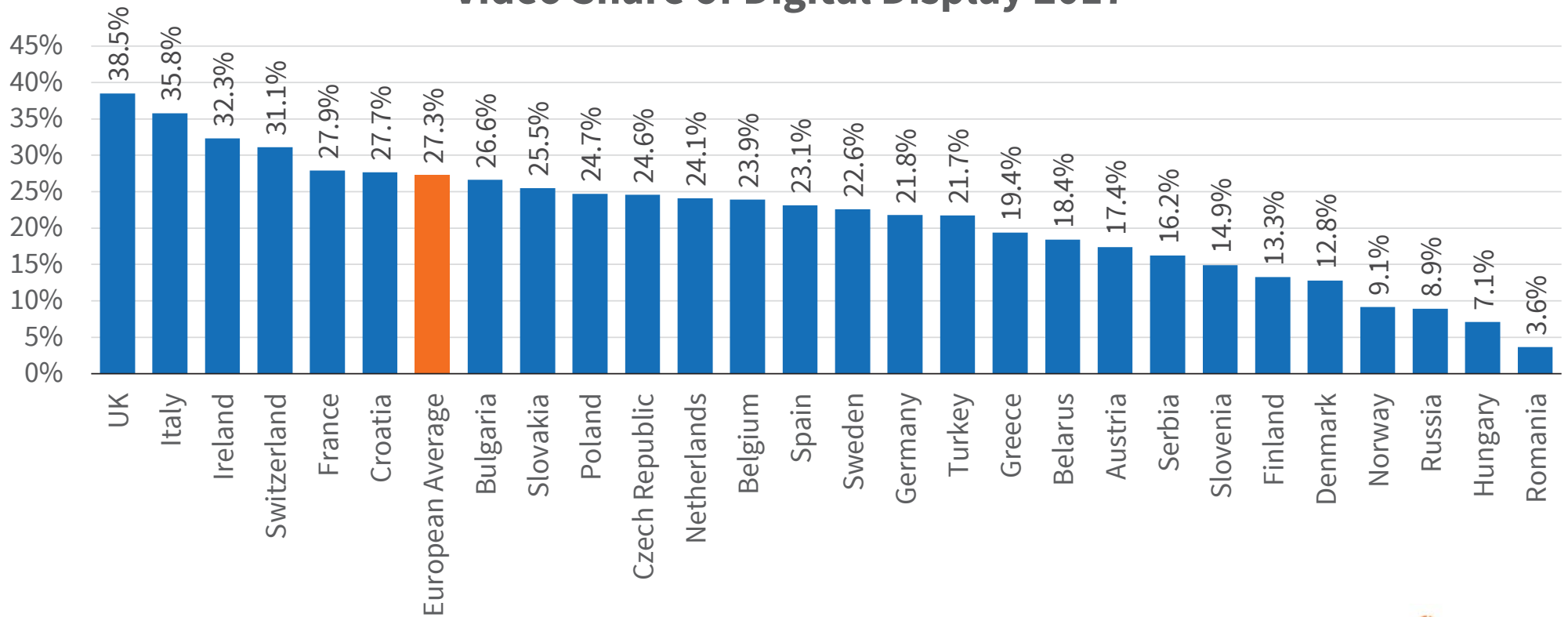


■ In-Stream ■ Out-Stream\*

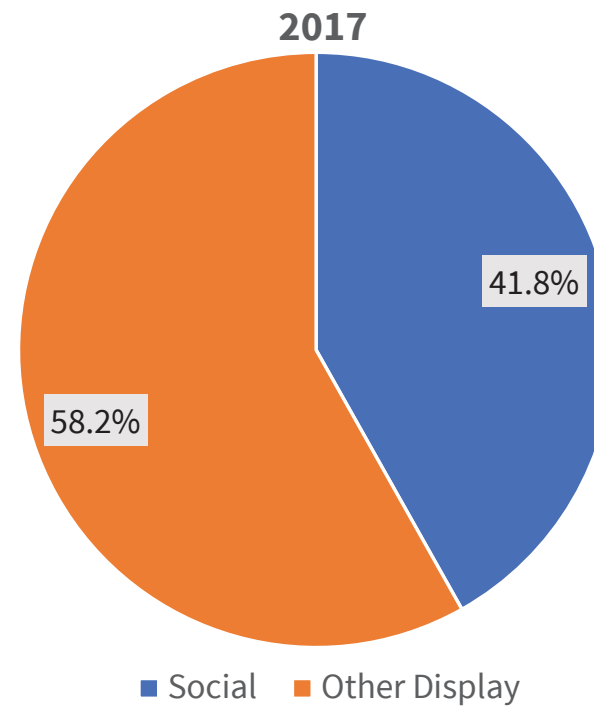
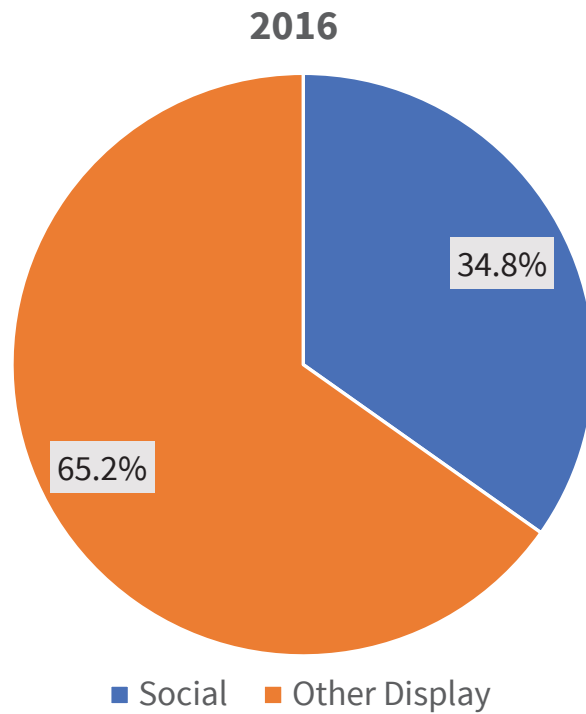


# Video is more than ¼ of digital display advertising

## Video Share of Digital Display 2017

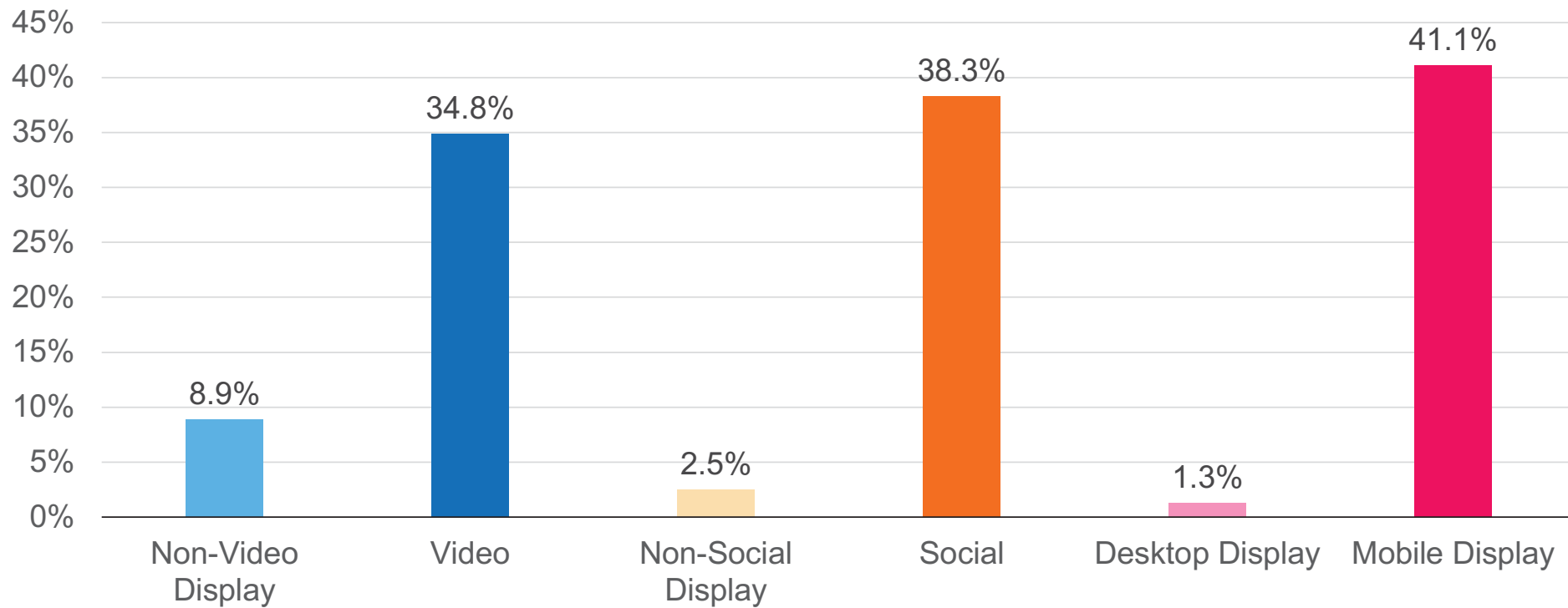


## Social added 7ppt to its share of display in 2017



## The trinity of SoMoVi: concentration of growth

2017: Display Growth



But what are the broader  
dynamics impacting  
future growth?



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