

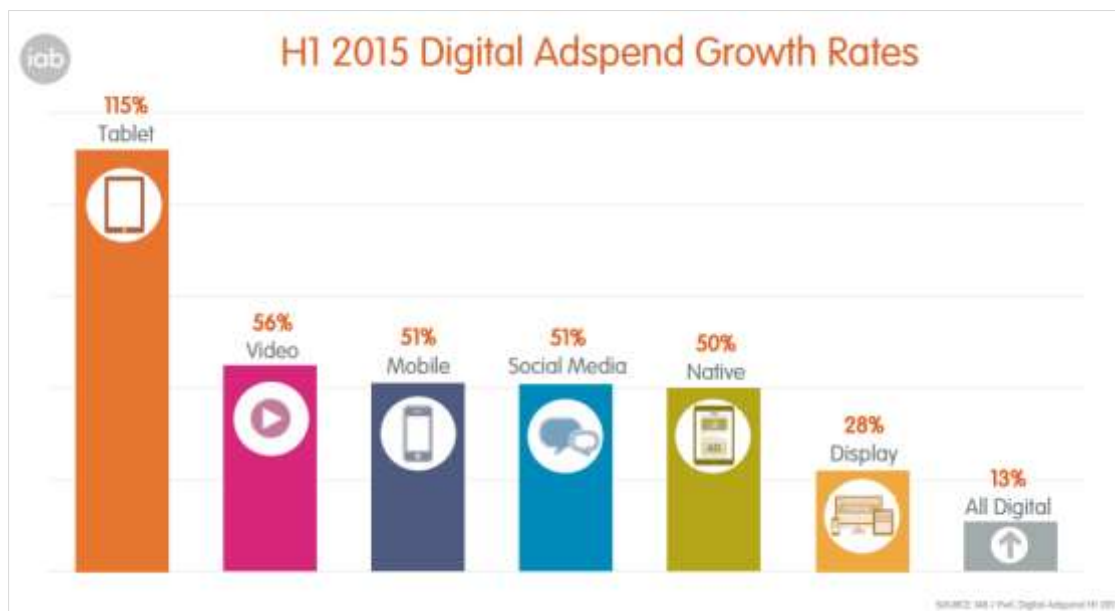
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## UK digital display advertising revenues rise 27.5% despite challenges from ad blocking

- Total digital ad spend grows 13.4% to touch £4bn in first half of 2015
- Mobile spend up 51%, accounts for nearly 80% of the rise in digital ad revenues

**London, 8 October 2015.** Advertisers spent a record £3.98 billion on digital advertising in the first half of 2015 – up 13.4%<sup>1</sup> year-on-year – according to the latest Internet Advertising Bureau UK Digital Adspend report, conducted by PwC.

Display advertising revenues grew at more than twice the overall digital rate (27.5%) to hit £1.31 billion – 33% of total digital ad spend, its largest-ever share. Within display, **video** ad spend grew 56% to £292 million – accounting for 22% of display revenue. **Social media** spend rose 51% to £574 million while **native/content**<sup>2</sup> grew 50% to £325 million – accounting for 25% of display revenue. **Tablet**-dedicated<sup>3</sup> ad spend grew 115% to £68 million.



*“Recently, a lot of the attention on digital advertising has been around the challenges, such as ad blocking,” says Tim Elkington, Chief Strategy Officer, IAB UK “However, it’s clear to see the UK digital advertising industry is maintaining its strong revenue growth at a much greater rate than the overall economy. The fact remains, as consumers spend more time on connected devices, advertisers must increasingly direct their attention and budgets there.”*

## **Mobile ad spend up 51%; accounts for nearly 80% of the rise in digital ad revenues**

Ad spend on mobiles increased 51% to £1.08 billion in the first half of 2015. The actual increase of £370 million year-on-year accounts for 79% of the rise in digital ad revenues.

Over a quarter (27%) of all digital advertising spend now comes from mobile, compared to 20% a year earlier. Mobile accounts for 39% of display spend, 43% of video spend, 63% of social media spend and 74% of native/content ad spend.

*“Mobile is unquestionably the engine of digital growth, with mobile display spend up 63% on the back of mobile video spend more than doubling,”* says Dan Bunyan, Senior Manager at PwC.

*“However, there’s plenty of room to grow, as mobile accounts for 40% of internet time<sup>4</sup> but only 27% of ad spend. Marketers are realising this is out-of-kilter, hence mobile is likely to continue gaining share at pace.”*

## **Travel/transport overtakes consumer goods as biggest display advertiser**

The biggest spending sector on display ads in the first half of 2015 was travel/transport (16.8% share) – overtaking consumer goods (16.1%). Finance was third (13.4%), just ahead of retail (13.3%).

**Paid-for search** marketing increased 8.4% to £2.07 billion in the first half of 2015. **Classifieds** including recruitment, property and automotive listings, grew 6.6% to £547 million – accounting for 14% of digital ad spend.

**ENDS**

### **Notes to editors**

#### **Definitions:**

<sup>1</sup>All growth rates except video and social media advertising are a like-for-like basis, i.e. only companies that submitted in H1 2014 and H1 2015 have been included in year-on-year growth calculations.

<sup>2</sup>Content marketing = paid for sponsorship, advertisement features, in-feed & native distribution tools.

<sup>3</sup>Tablet-specific advertising only (i.e. not including internet advertising displayed on a tablet by default).

<sup>4</sup>IAB/UKOM/comScore: Digital Time Spent Study (H1 2015)

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**About the Internet Advertising Bureau**

The Internet Advertising Bureau (IAB) is the UK trade association for digital advertising, representing most of the UK's leading brands, media owners and agencies. Given the rapidly evolving nature of the digital landscape, the IAB works to ensure that marketers can maximise the potential of digital media and mobile devices, helping members engage their customers and build great brands. By disseminating knowledge and fostering dialogue through research, policy guidance, training and events, the IAB aims to be every marketer's authoritative and objective source for best practices in internet advertising. To access the IAB's current research, policy briefings, training opportunities and events schedule, please visit [www.iabuk.net](http://www.iabuk.net).

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