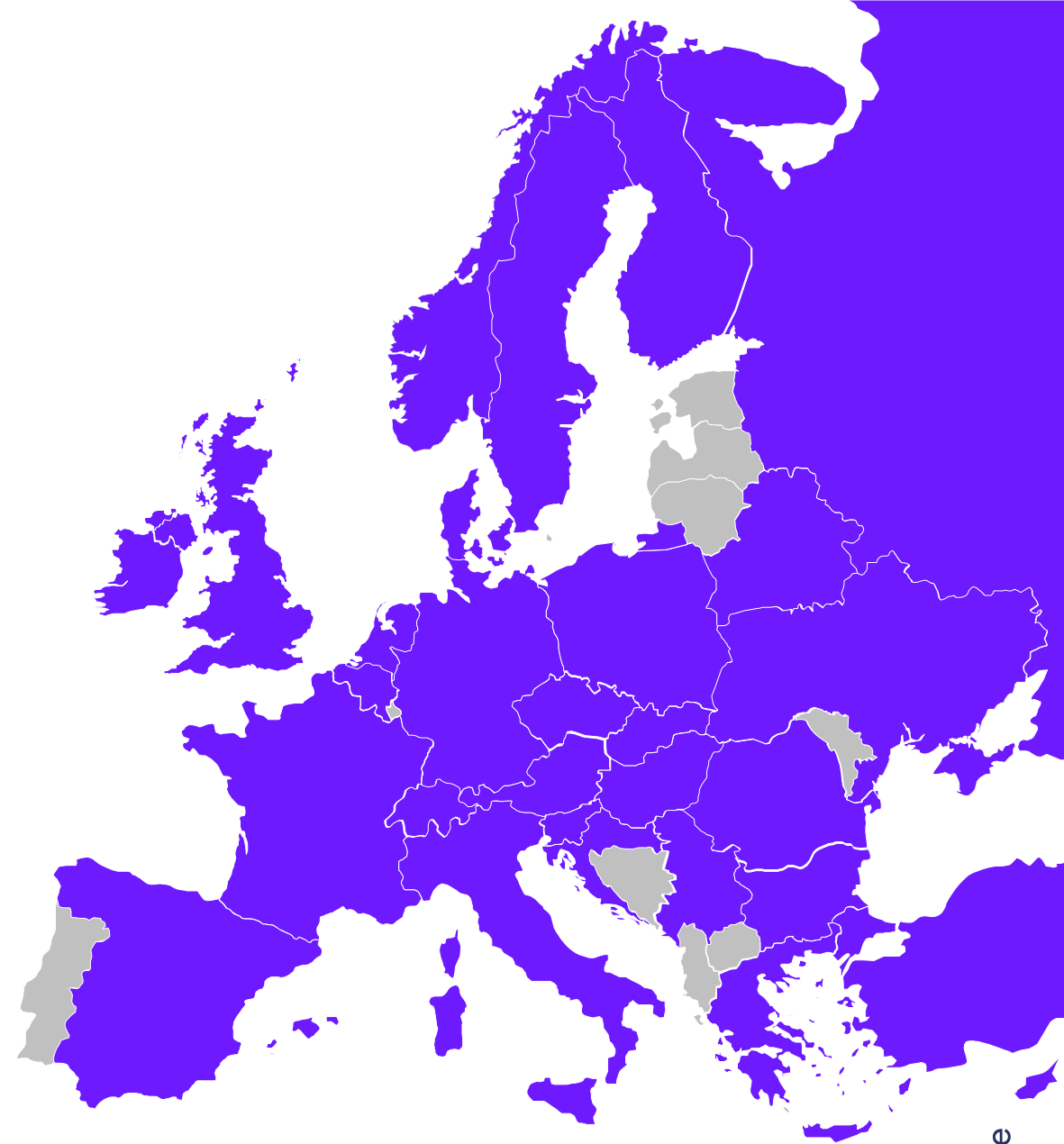


# adex

BENCHMARK  
2022

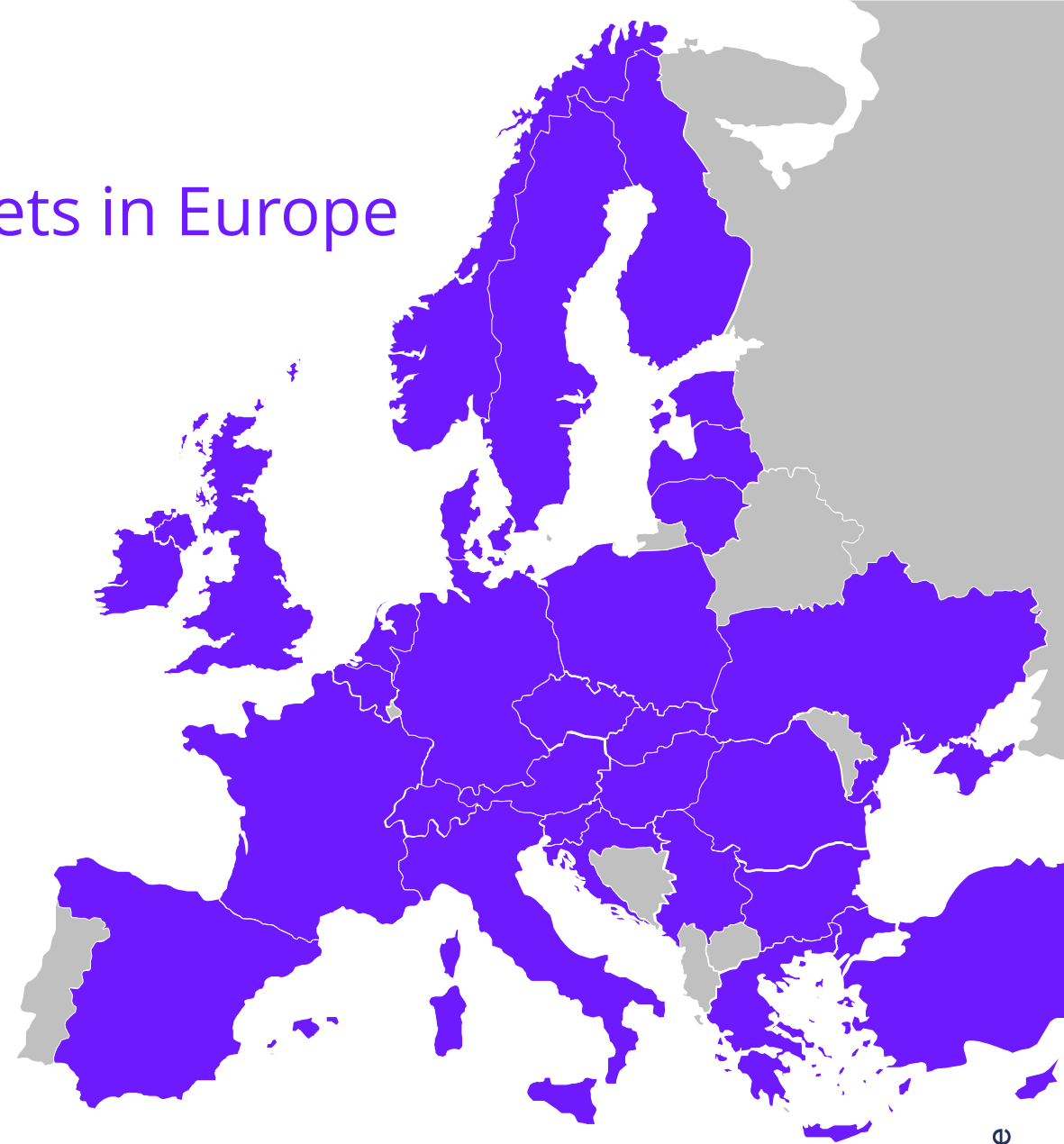
STUDY  
MAY 2023

# The Adex geography has changed



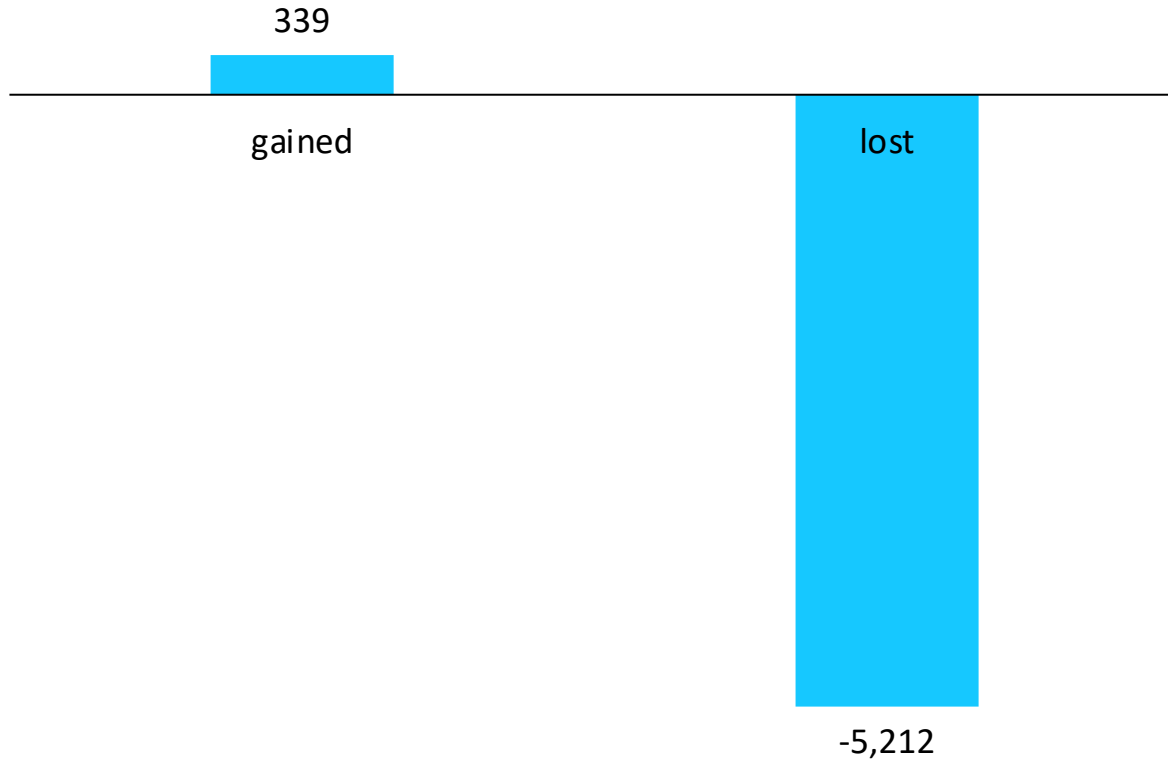
# Report Coverage- Analysis of 29 markets in Europe

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



# New 2021 ad spend basis due to changed market coverage

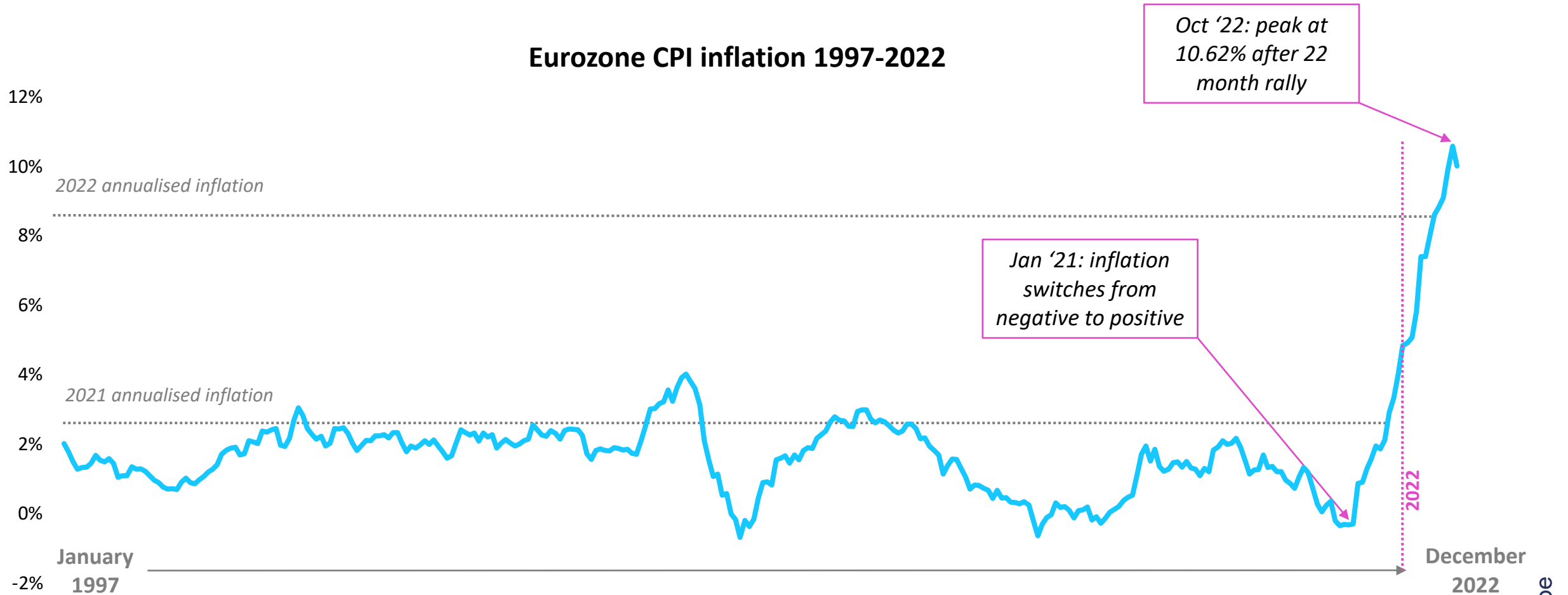
## 2021: Adspend added & removed (€m)



5.2% net  
reduction in size  
of market covered

# INFLATION

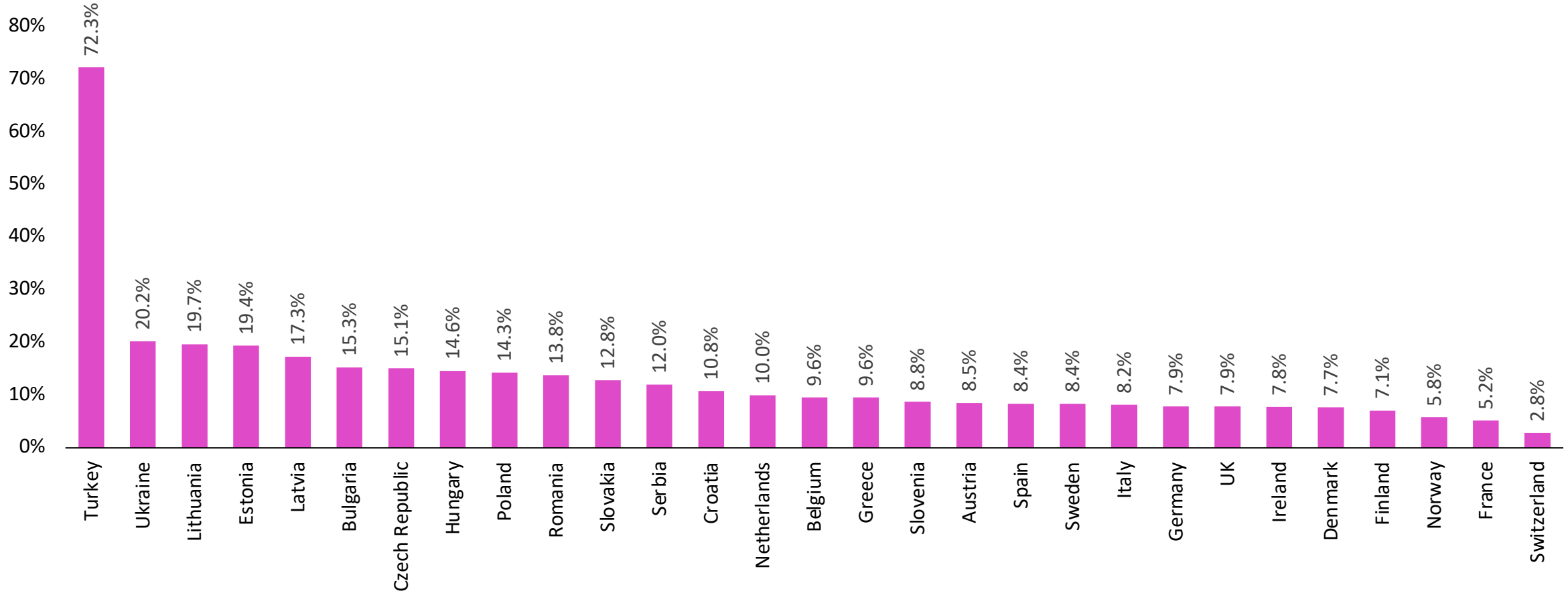
# Study is conducted in high-inflation environment for 1st time



Source: European Central Bank. Percentage change over same month in the previous year.

...but inflation impact varies between markets covered

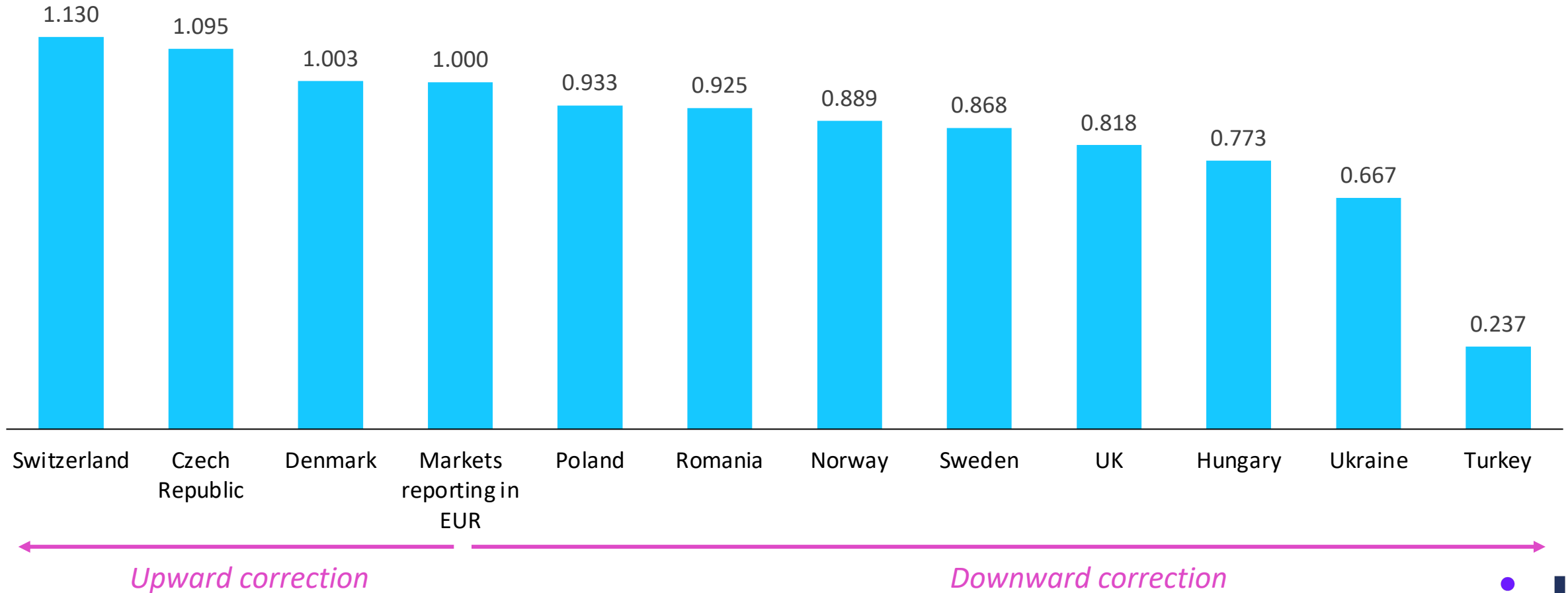
**Consumer Price Inflation, growth 2022 vs 2021**



Source: World Bank, headline consumer price index (hapi)

# Using 2022 exchange rate avoids distortions in market size from highest inflation countries

**Using 2022 EUR vs 2013: Effect on Market Size**

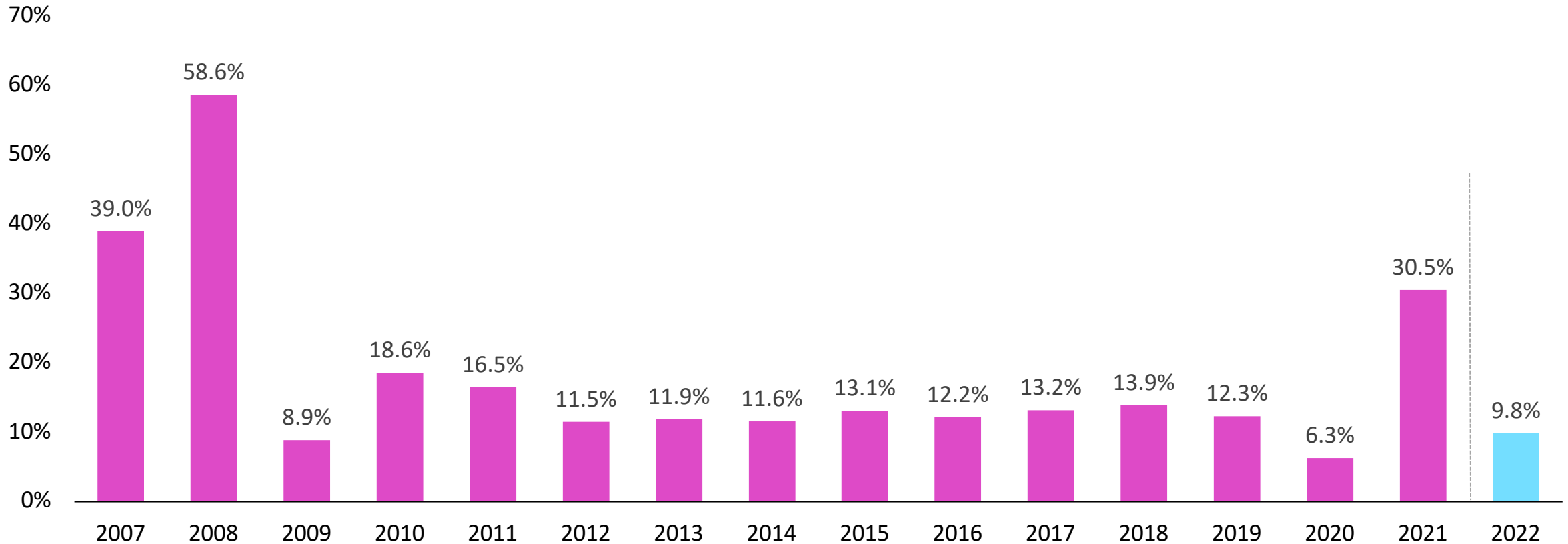




# MARKET

Growth was achieved in light of tough comparatives and weak macro-environment but propped up by inflation

### Europe: Digital Ad Spend Growth Over Time



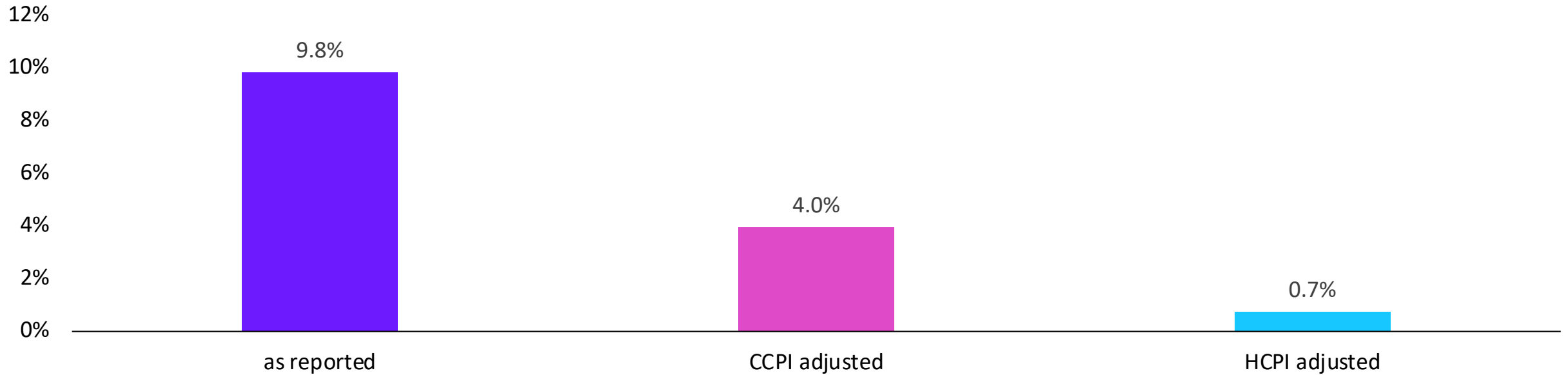
Note: Change in base currency & geographic adjustment affects comparability between 2022 and previous years. Restated & original time series available on [www.iabeurope.eu](http://www.iabeurope.eu)

# ...but there are different “realities” that affect growth rates

*Using 2021 exchange rate to capture growth rates as reported by local markets.*

*Excludes certain volatile categories, eg. food and energy prices, to provide a clearer view of underlying inflation trends.*

*Measures the total inflation within an entire economy. Includes volatile categories like food and energy prices.*

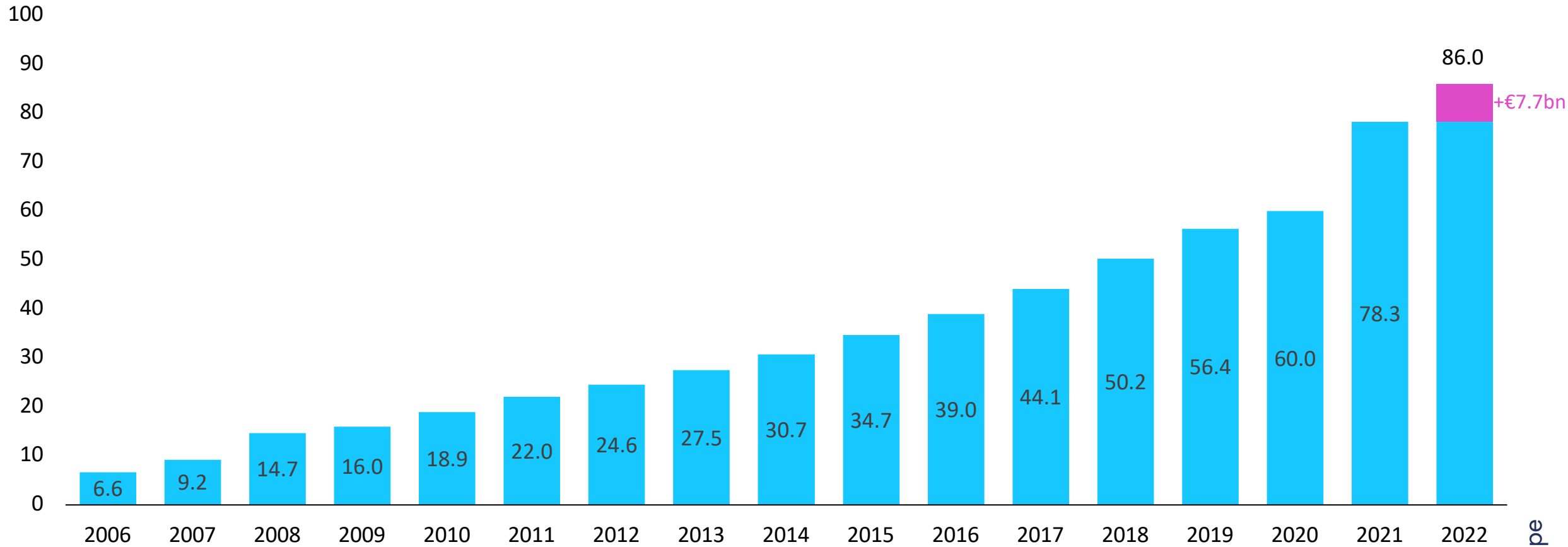


# The value of digital ad spend in Europe

€86bn

# Despite 2021 surge, €7.7bn added to market

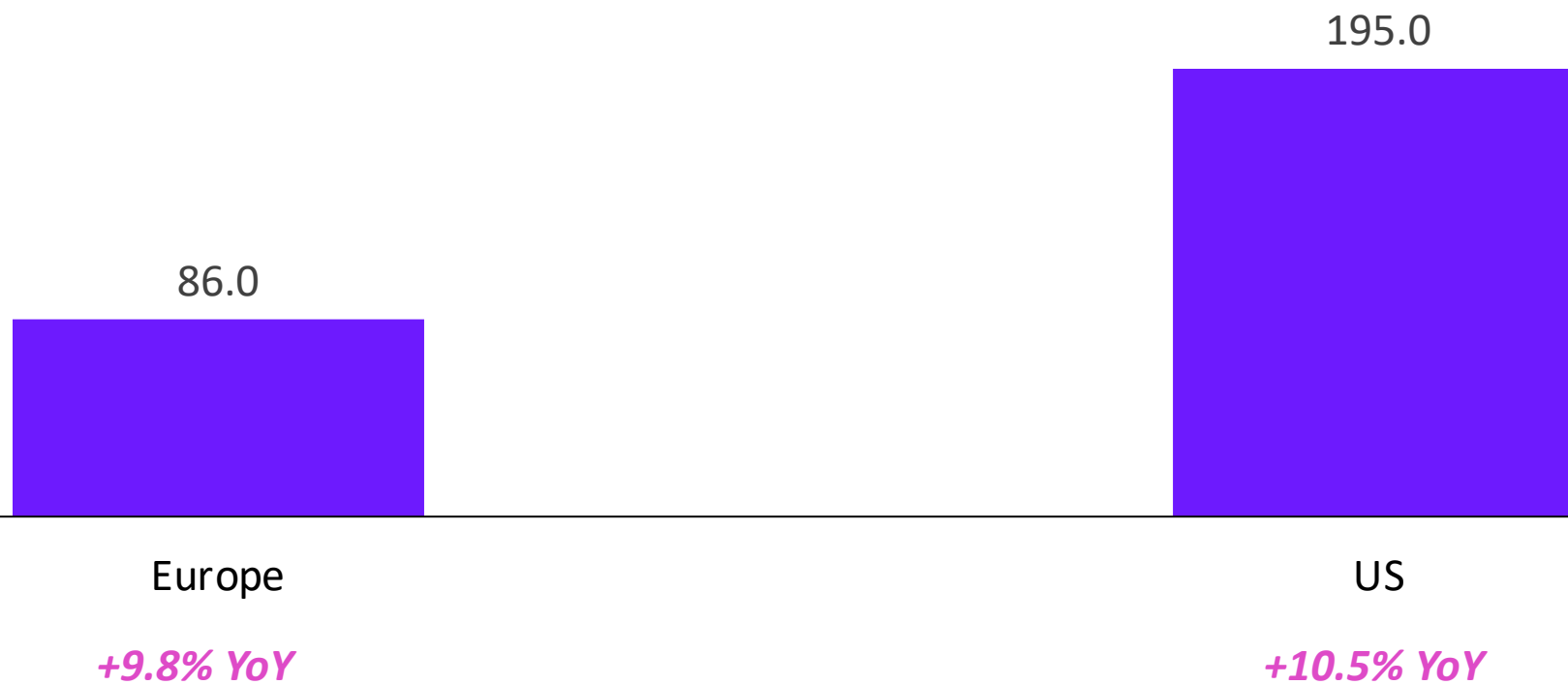
Europe: Total digital ad spend (€bn)



Note: Historical market size restated based on 2022 constant fx and historical growth rates, Russia & Belarus removed. For time series in other currency conversions, see [www.iabeurope.eu](http://www.iabeurope.eu)

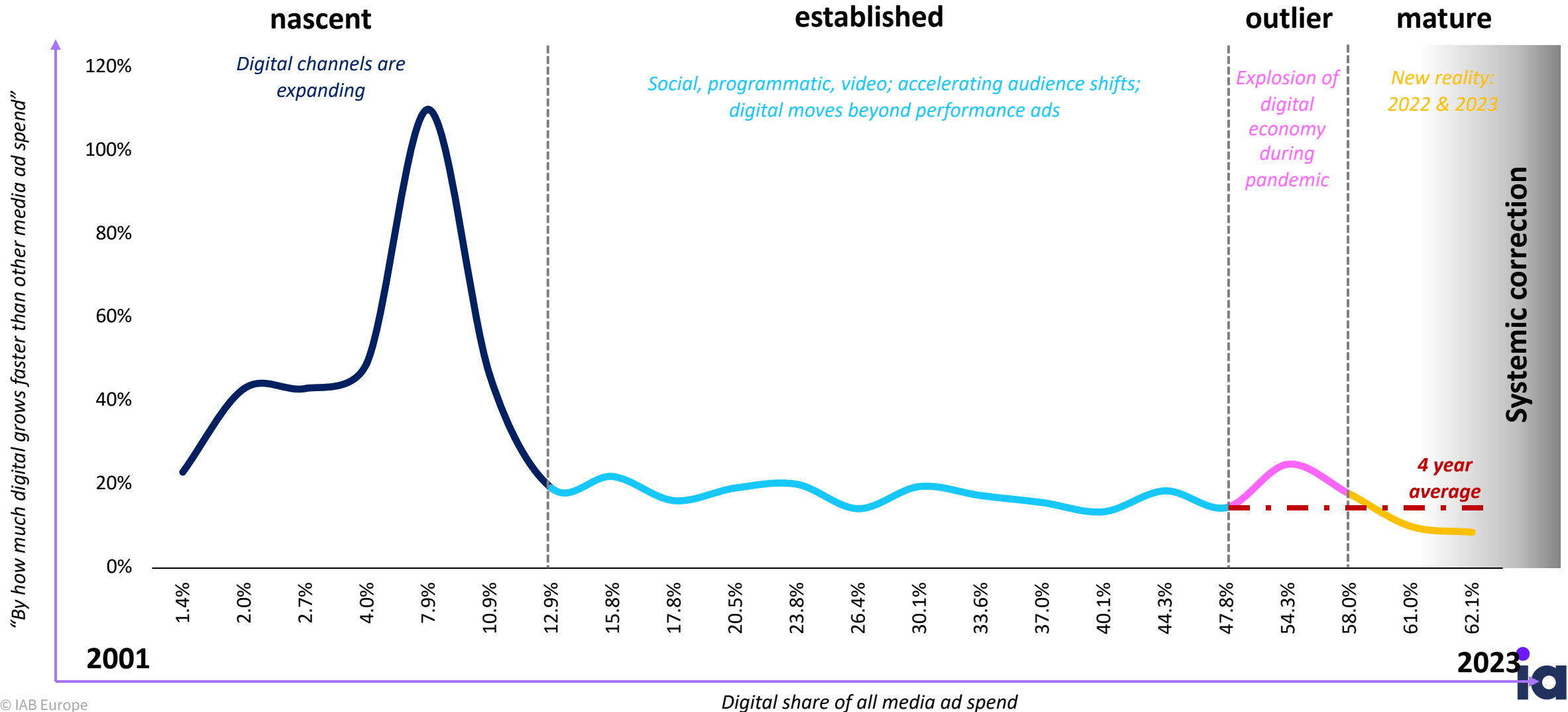
# Europe & US comparison

Digital Ad Spend 2022, €bn



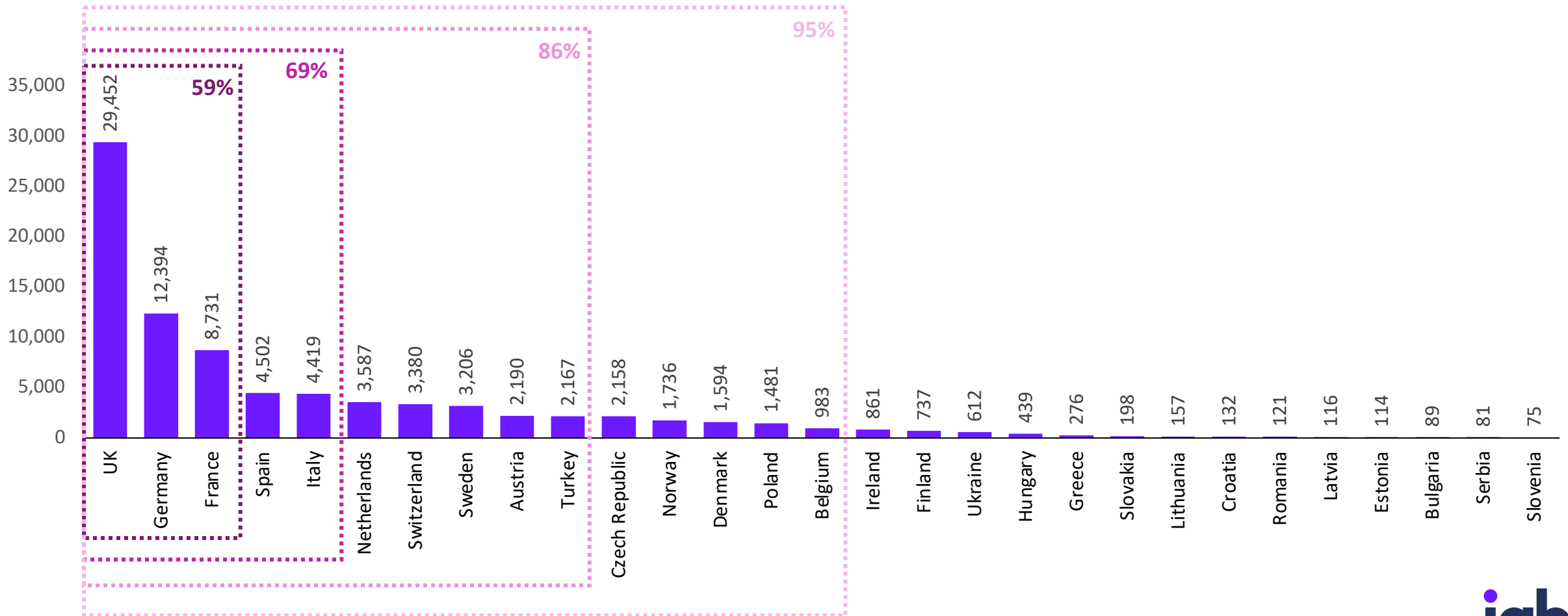
# Digital ad market is mature but continues to outperform other media growth

## Europe



# European ad spend remains concentrated on top markets

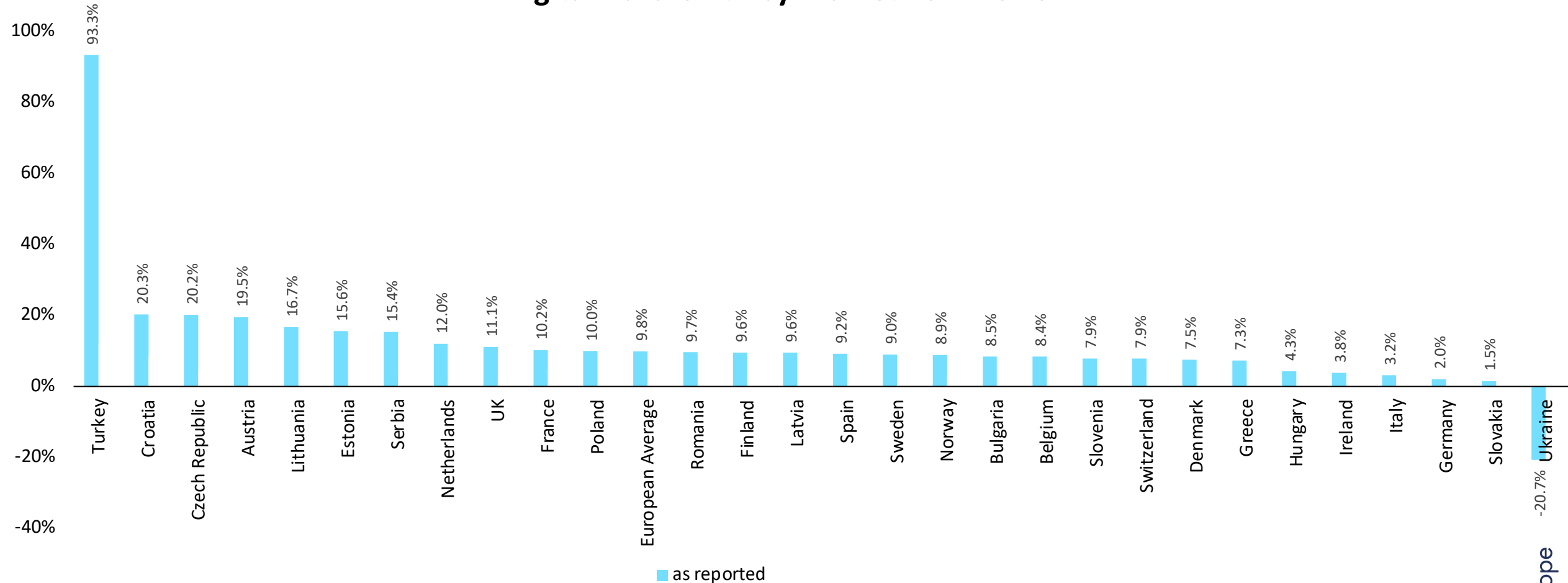
2021: Digital Ad Spend by Market (€m)





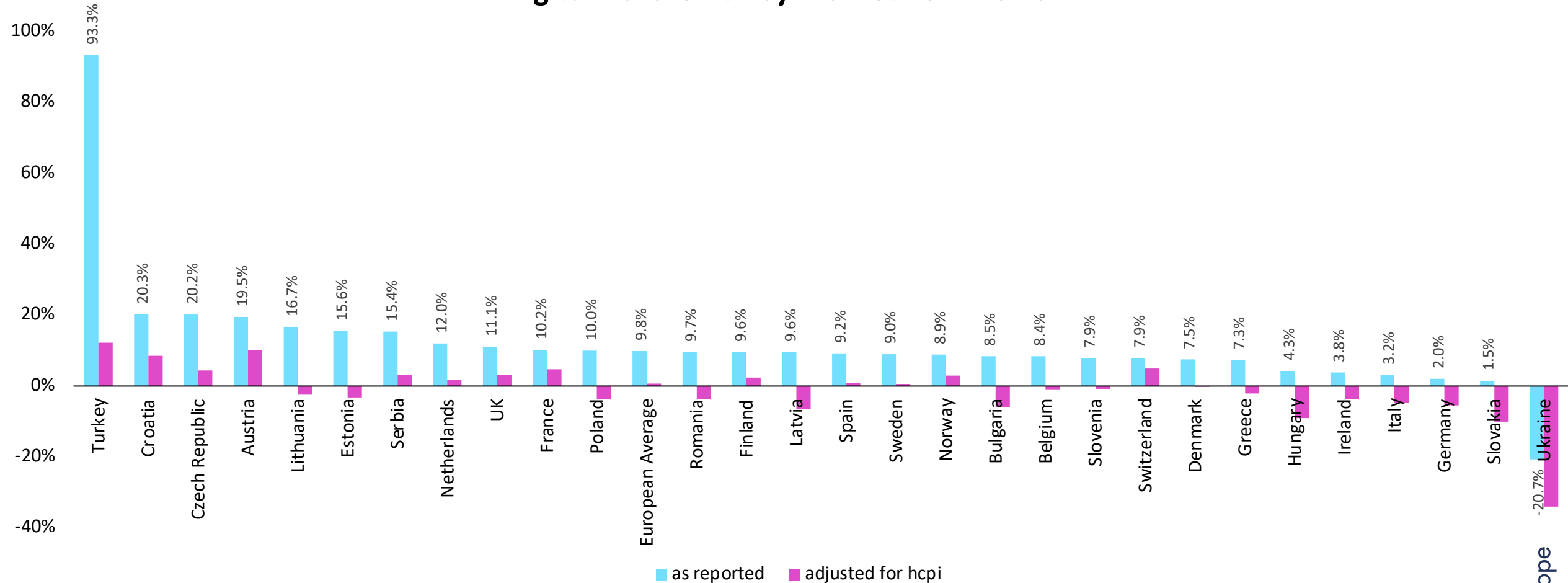
# Most European markets show robust gains despite tough comparatives and weak macro environment...

## Digital Ad Growth by Market 2022 vs 2021



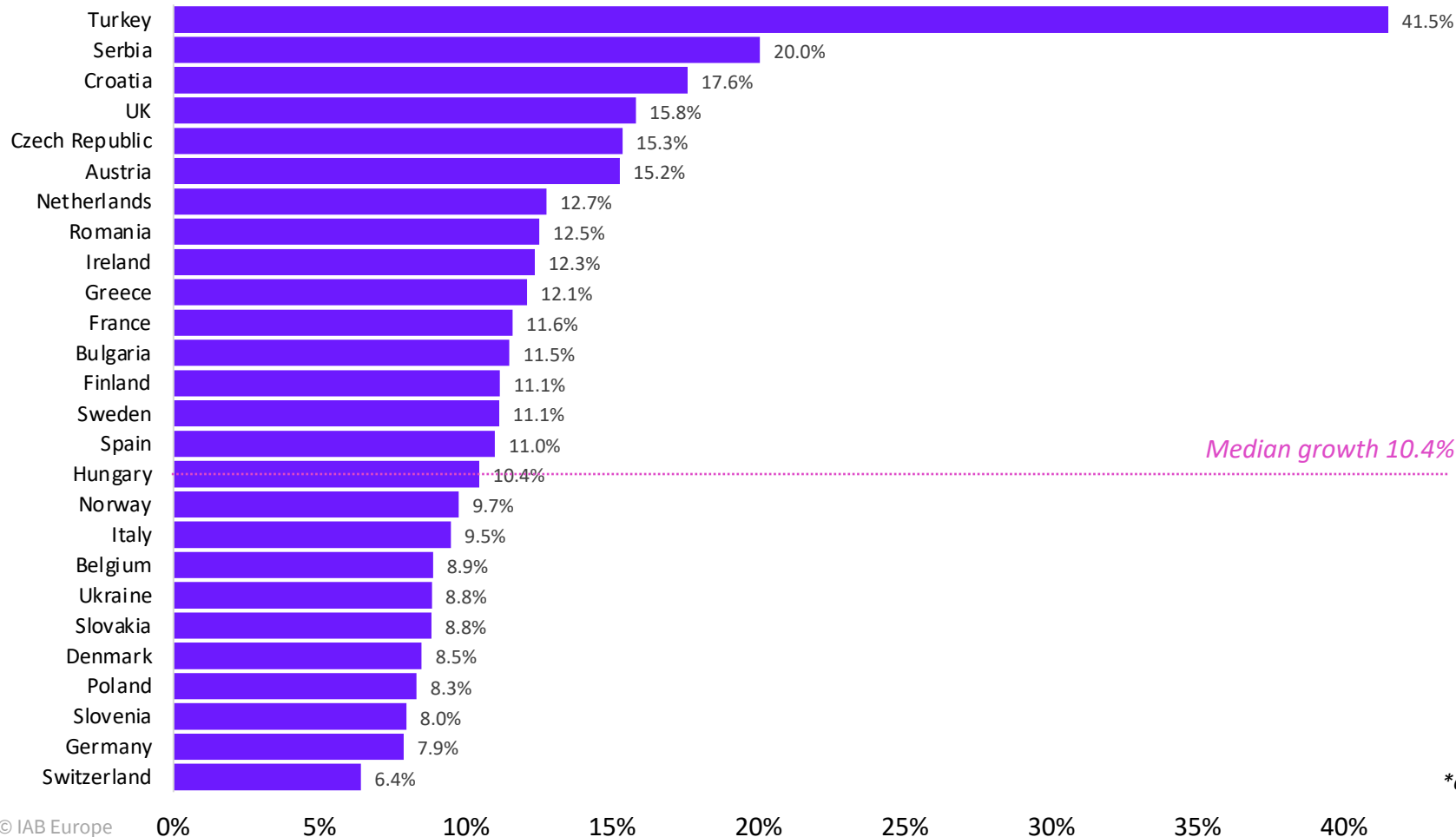
...but accounting for the effect of inflation changes the picture

**Digital Ad Growth by Market 2022 vs 2021**



# After 3 years of turmoil, longer term perspective helps to understand real underlying growth by market

**Real growth 2019-2022 (CAGR) by market\***



1.

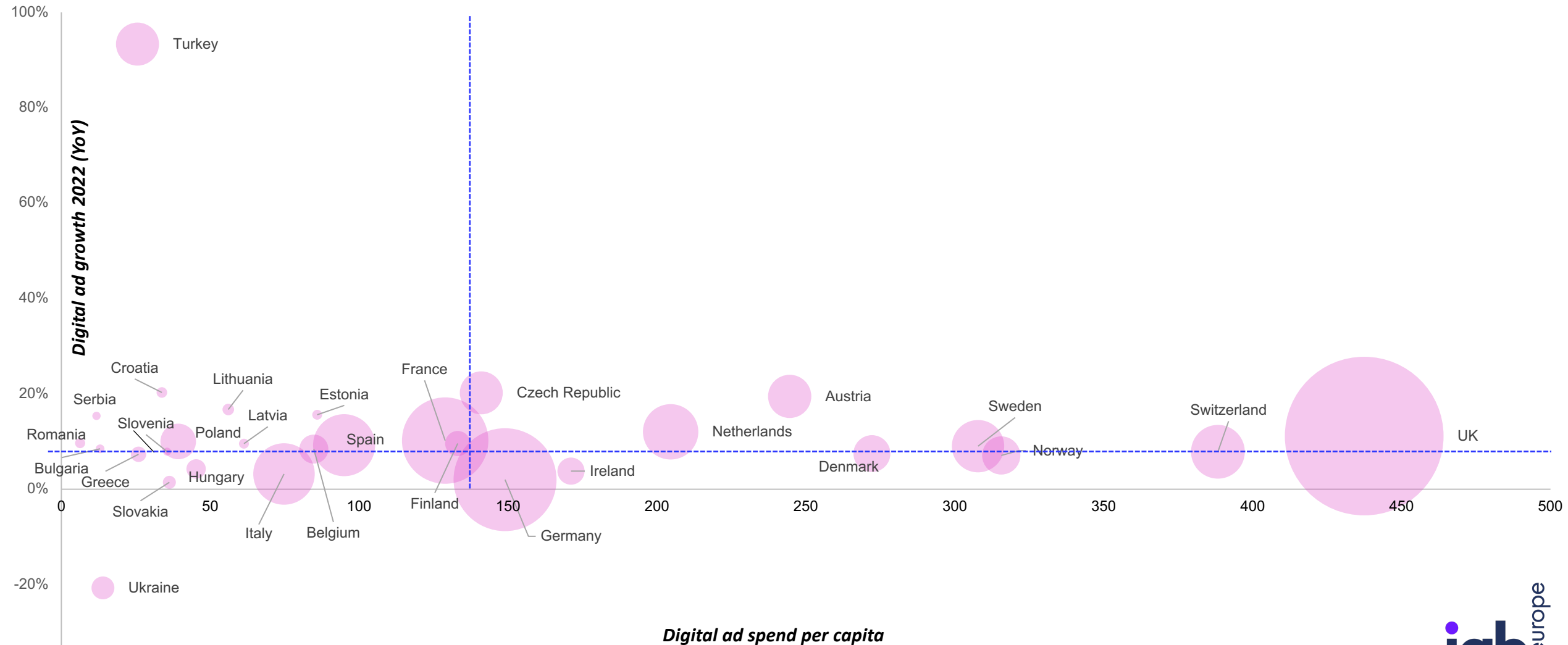
Long-term view 2019 to 2022 via compound annual growth rate

2.

Removing inflation to determine real underlying growth

\*adjusted for inflation using World Bank HCPI data

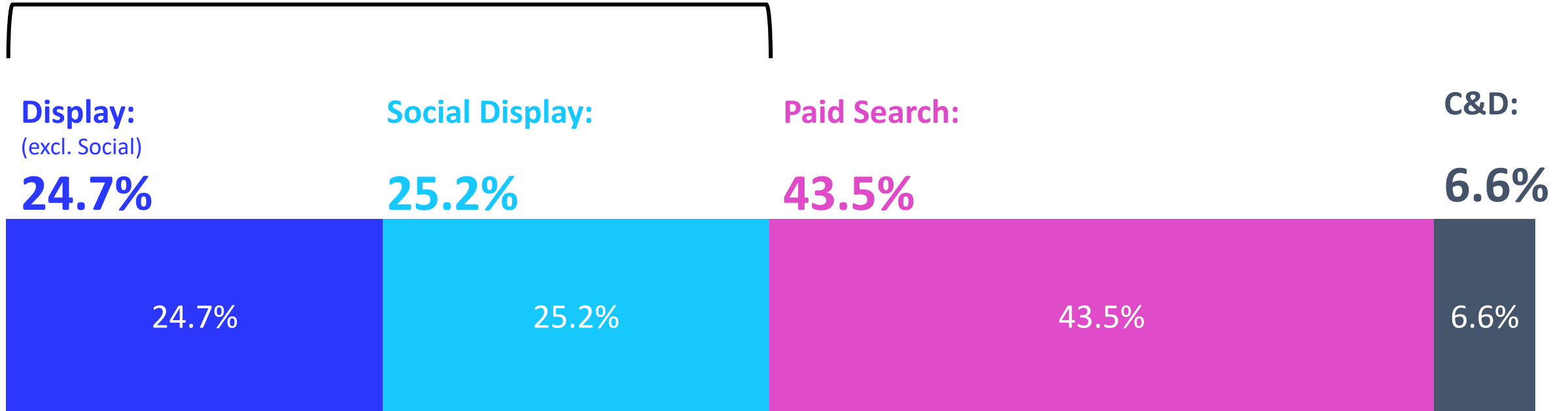
# Composite view shows nuances between European markets



# FORMATS

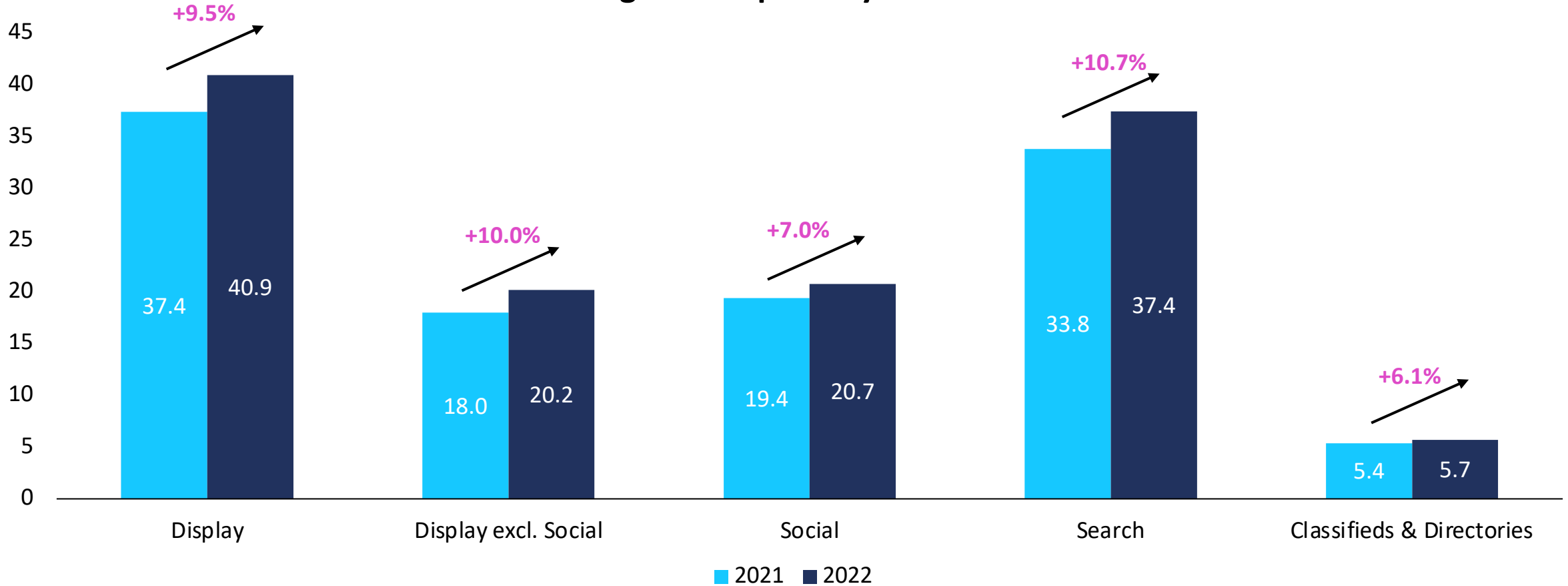
# Display has highest share of European market

**Total Display: 49.9%**



...but changing trend as search outperforms and social growth slows

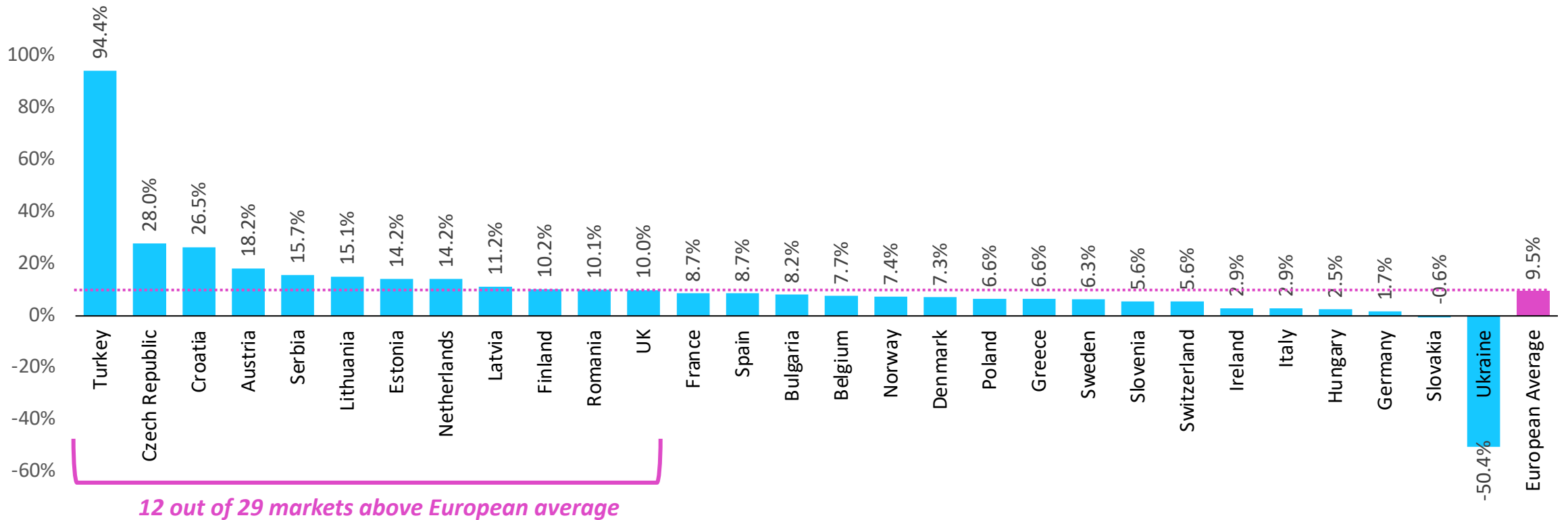
### Digital Ad Spend by Format



**Total market: +9.8%**

# Most markets saw single to low double digit growth in display framed by extremes

**Europe: Display Ad Spend Growth (2022 vs 2021)\***

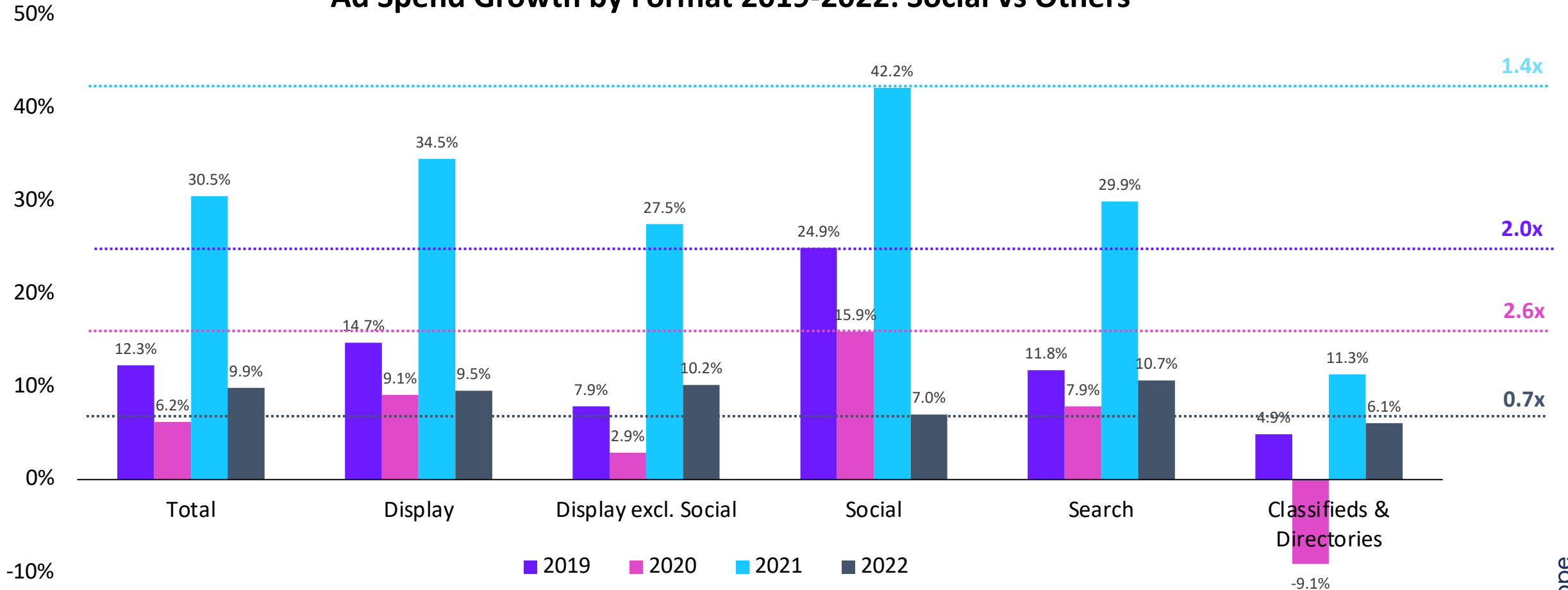


\*incl. social



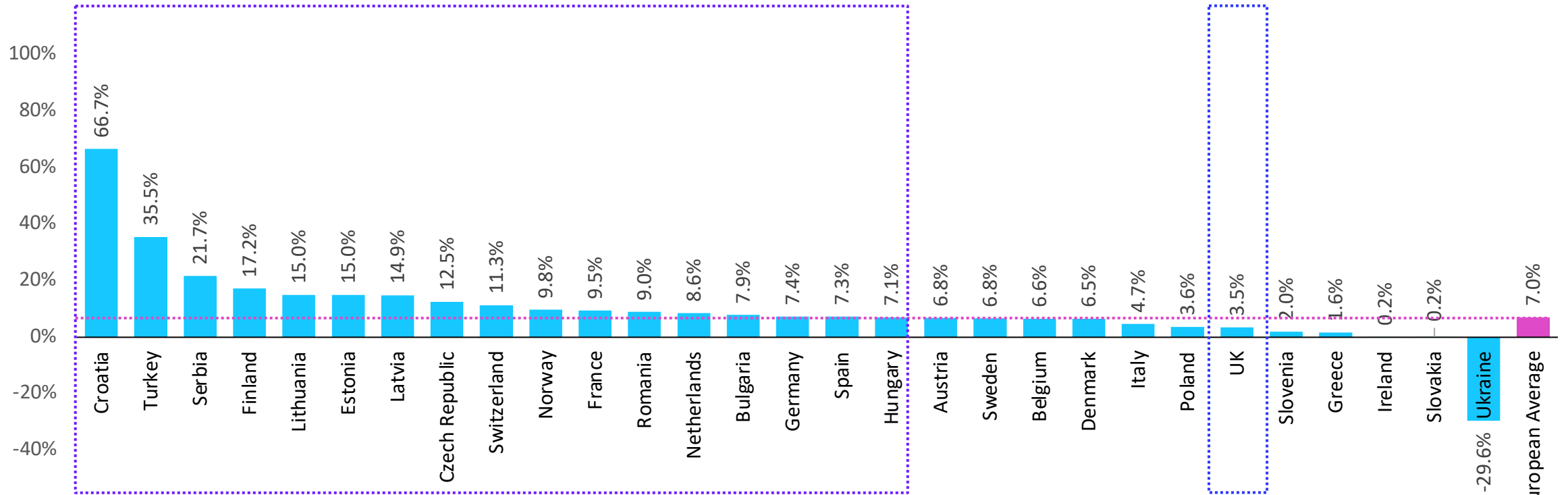
# Social only grew 0.7x speed of market vs 2.6x in 2020

**Ad Spend Growth by Format 2019-2022: Social vs Others**



# Yet individual factors place outsized drag on social growth

## Europe: Social Ad Spend Growth (2022 vs 2021)\*

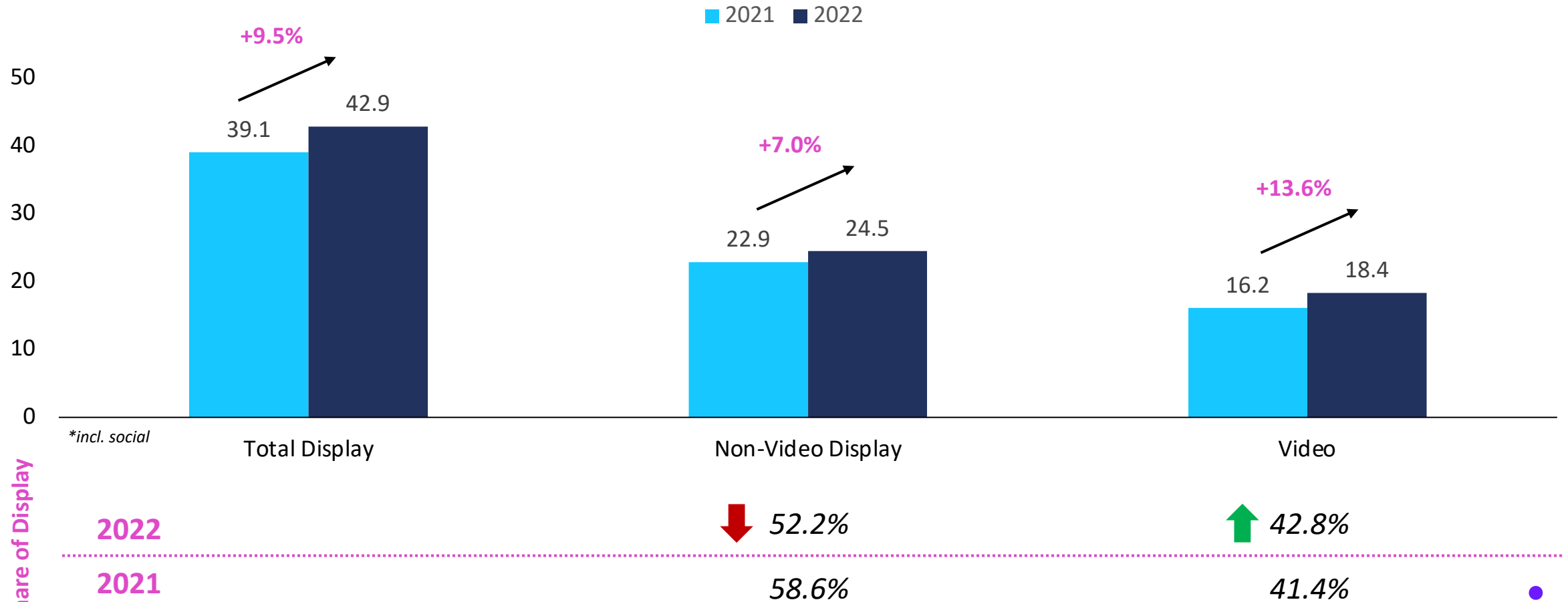


*Above European average*

*Main drag factor (35% of total social ad spend grew 50% below European average)*

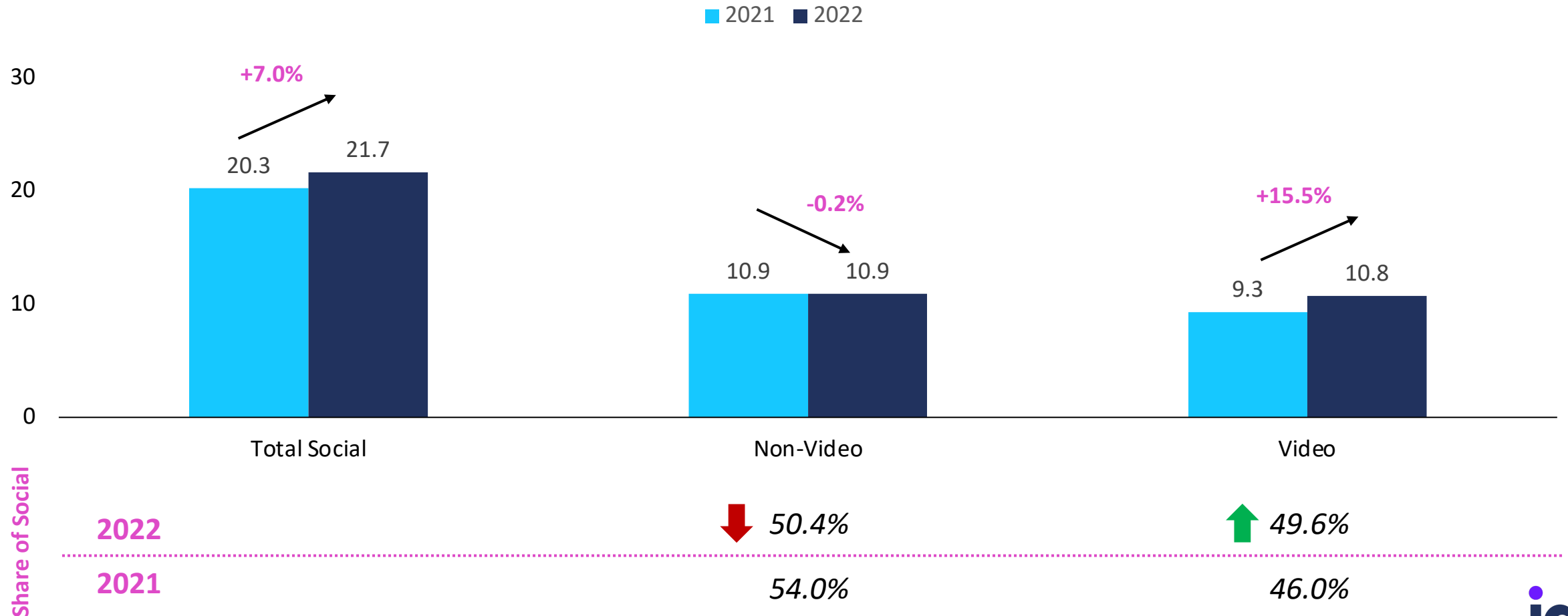
# Total display shows gains in video share...

Europe: Display Ad Spend Details (€bn)\*



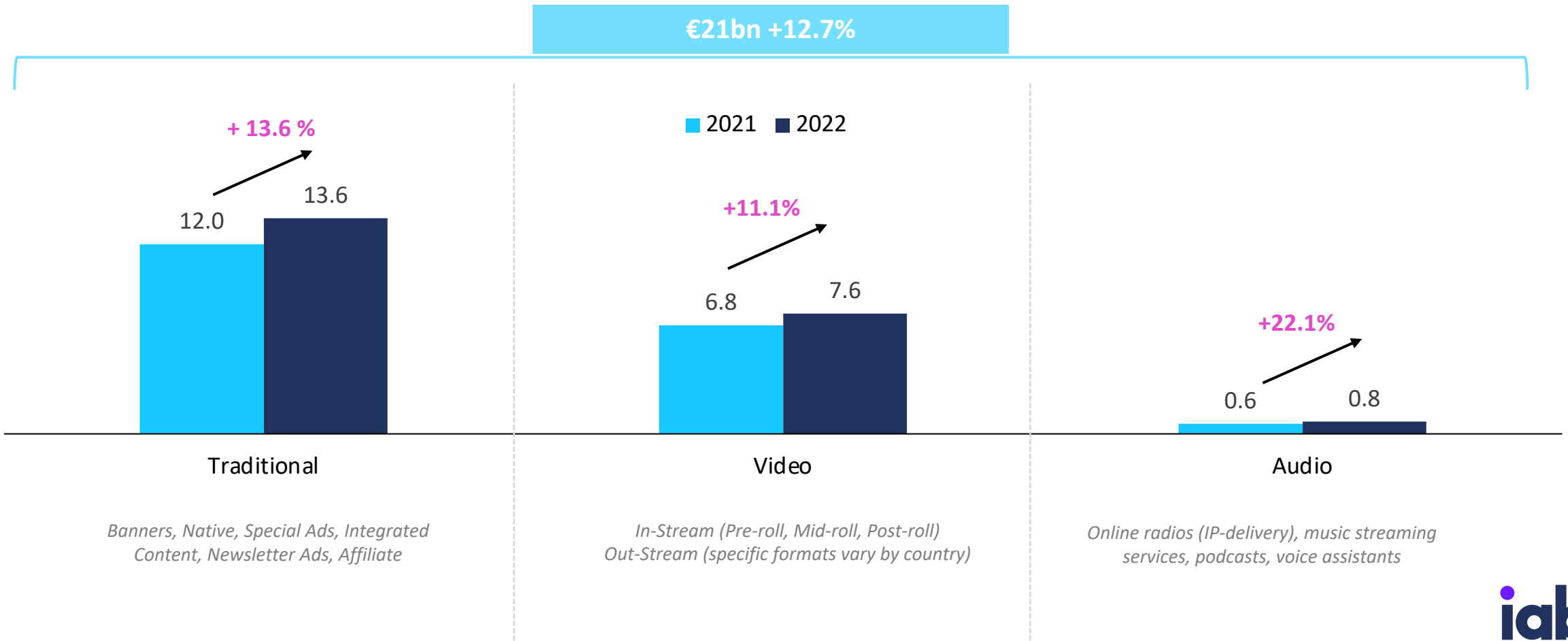
yet video growth was mainly driven by social...

**Europe: Social Ad Spend Details (€bn)**



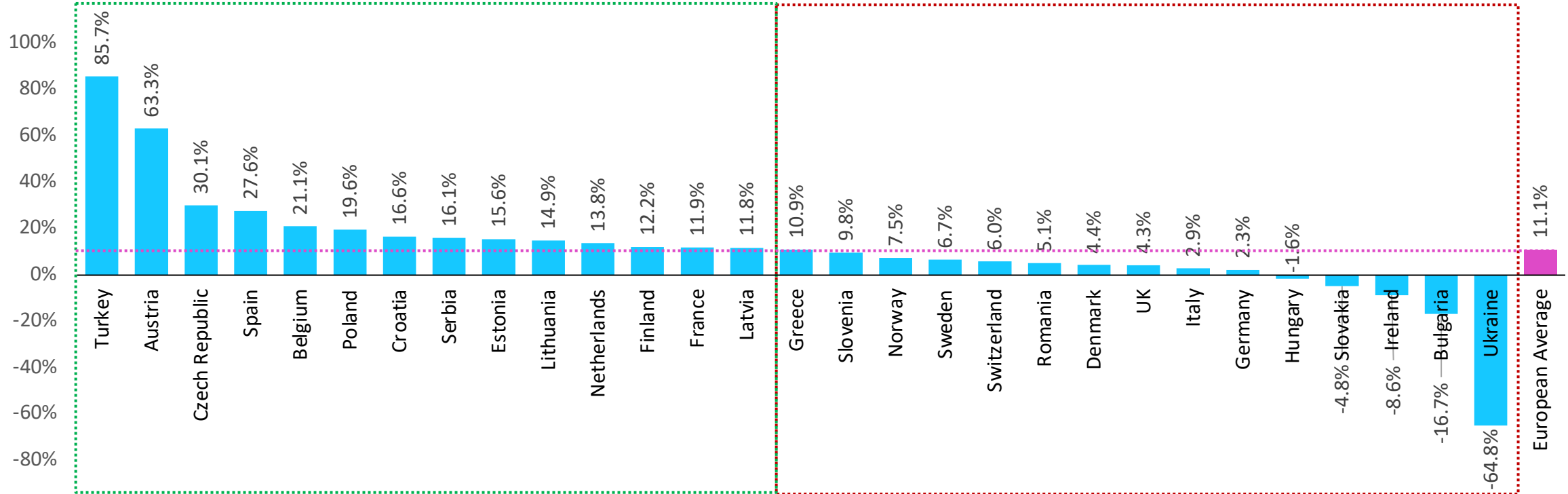
...whereas other formats grew faster in non-social display mainly due to tough comparatives for video with 2021

**Europe: Display Ad Spend excl. Social (€bn)**



# Yet again, averages obscure the nuance of local markets

## Europe: Other Display Video Ad Spend (2022 vs 2021)



14 markets above European average

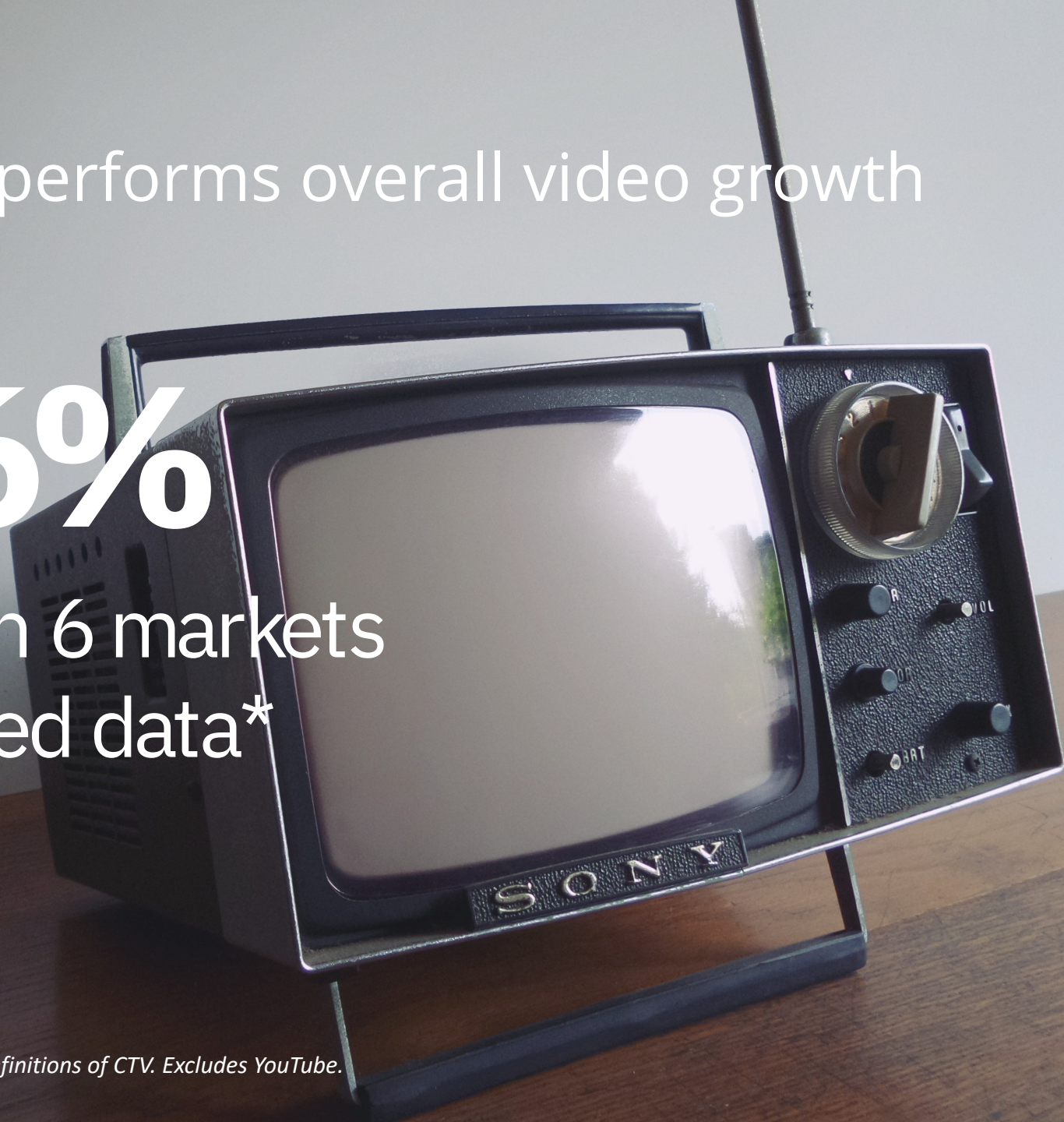
15 markets below European average



Connected TV outperforms overall video growth

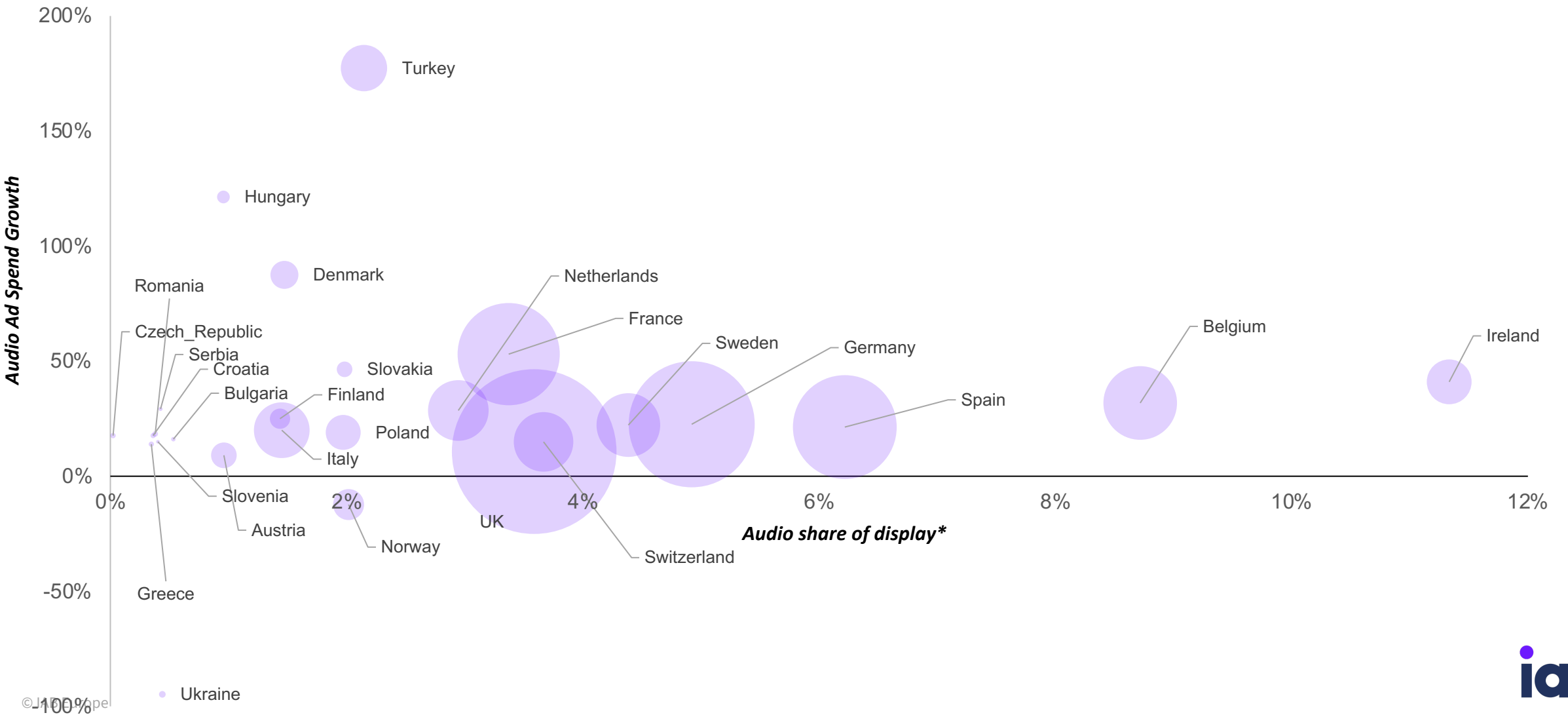
**46.6%**

growth based on 6 markets  
who submitted data\*



*\*submitted data not harmonised, may refer to different definitions of CTV. Excludes YouTube.*

# Digital Audio market has different leaders than other formats





# The programmatic slope: strong differences in adoption

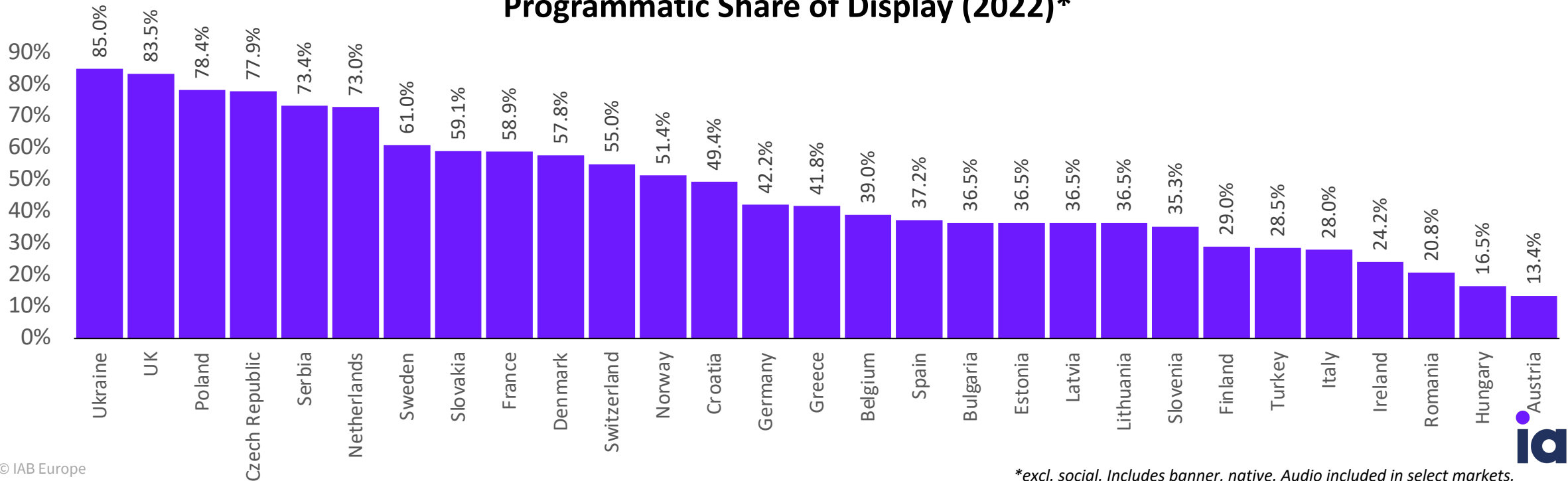
Value  
**€12.3bn**

Growth  
**+13.9%**

Share of Display  
**57.9%**

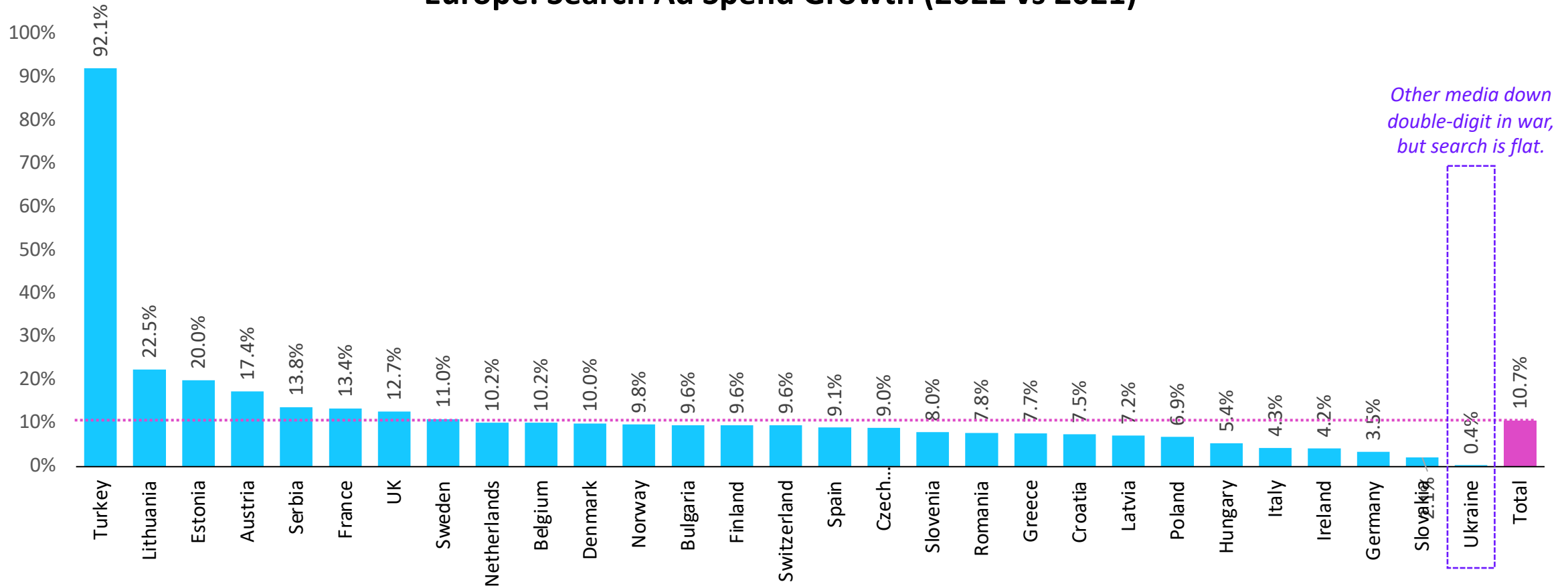
Video Share of Programmatic  
**52.8%**

**Programmatic Share of Display (2022)\***



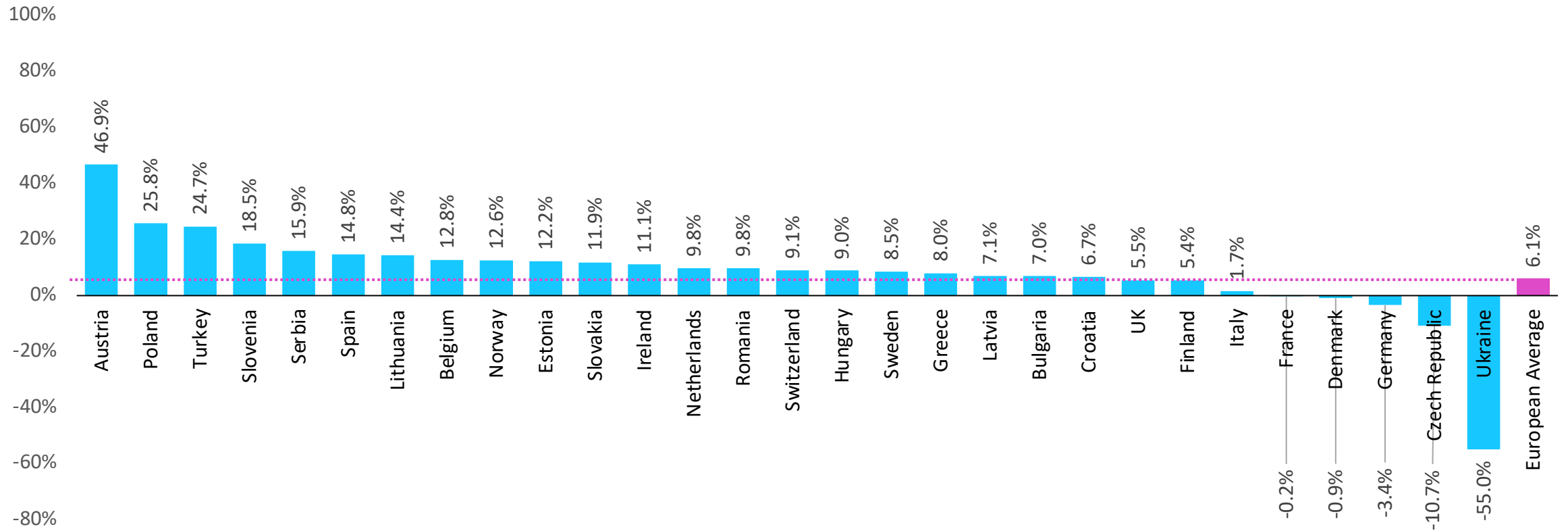
# Search benefits from macro-environment, e-commerce, retail

**Europe: Search Ad Spend Growth (2022 vs 2021)**



# C&D shows varied picture from double-digit to declines

**Europe: Classifieds & Directories Ad Spend Growth (2022 vs 2021)**



**THANK YOU**