

# Marketers' Internet Ad Barometer 2009

April 2009

## European Interactive Advertising Association

# Overview

## Brief

- Interview advertisers in UK, France, Germany, Italy, Spain, Netherlands, Belgium, Sweden, Norway and the Pan-European sector to assess changing media strategies and ascertain attitudes towards internet advertising
- Focus on automotive, entertainment, travel, consumer electronics, FMCG, telecommunications, finance and retail sectors
- Mix of marketing decision-makers with local and European responsibilities

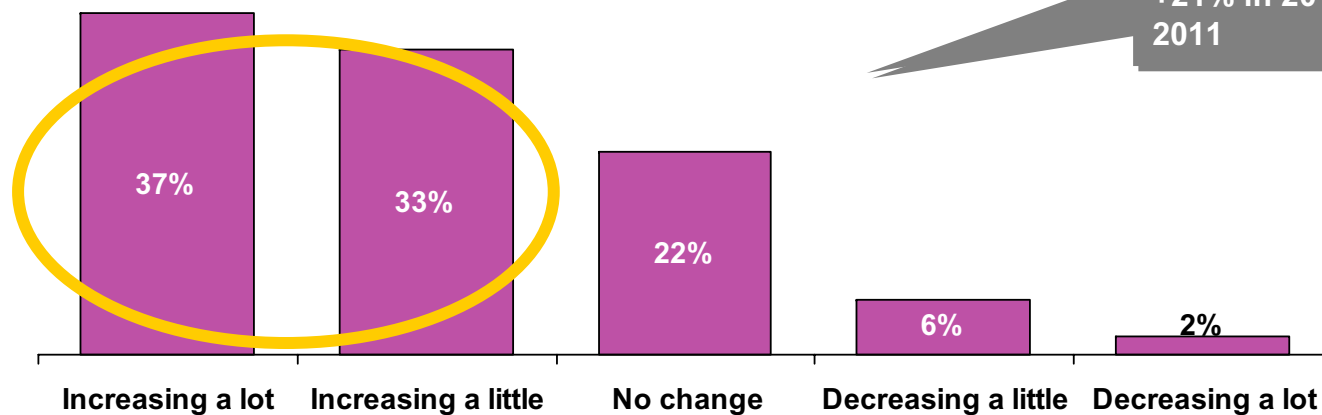
## Research focus

- Internet advertising expenditure
- Internet media strategy
- Media choice
- Budget process
- Business impact

# Internet ad spend in 2009

Q7. So far, would you say your internet ad spend in 2009 is...

- Overall 70% of advertisers cited that their internet ad spend is increasing in 2009

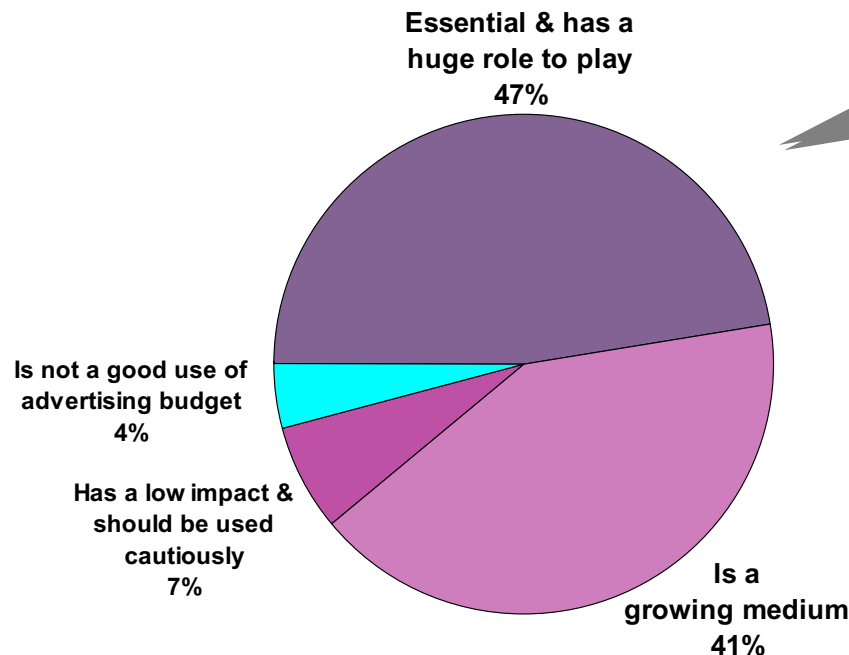


Base: 171

# Advertiser views on internet advertising

Q32/33. Overall, how satisfied are you with the Internet as an advertising medium for your company? Which of these statements summarises your views about internet advertising as part of a communications strategy for a company like yours?

- 84% are very satisfied with internet as an advertising medium ranking it between 6 and 10 (1 not at all satisfied and 10 very satisfied)



47% of advertisers cited that the internet is essential and has a huge role to play, vs. 38% who agreed with this statement in 2008

Base: 98/95

# Where has the increase in online budget come from?

Q10 & 11. What % has come from other media and which media has is come from

- Compared with 2008 the number of advertisers who stated the increase is coming from magazine budgets has increased whereas the percentage coming from DM and radio has decreased significantly which points to a possible focus shift towards media that attributes itself to performance-led targeting as advertisers look to maximise their ROI, reach and cost efficiencies

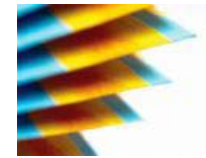
37% of advertisers think the budget has come from TV

2008 = 39%



24% of advertisers think the budget has come from DM

2008 = 32%



32% of advertisers think the budget has come from newspapers

2008 = 40%



19% of advertisers think the budget has come from outdoor

2008 = 23%



46% of advertisers think the budget has come from magazines

2008 = 40%



12% of advertisers think the budget has come from radio



9% of advertisers think the budget has come from cinema

2008 = 13%



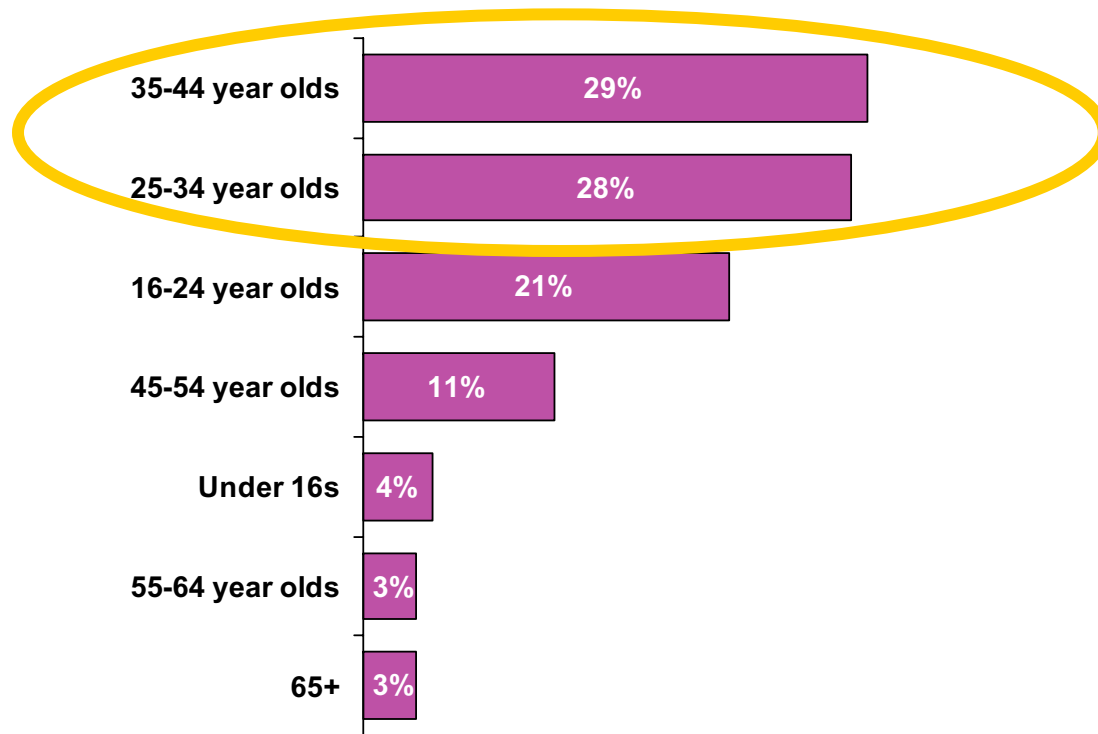
# Advertisers are increasingly recognising the value and impact of mobile advertising

- The research found that advertisers who see online advertising as essential are increasing their mobile budgets significantly, (23% vs. 12% of all advertisers) showing that advertisers that have a heavy association with online and understand its benefits, are also at the forefront of emerging formats and innovation
- With almost a third of all advertisers (30%) stating they use mobile within their advertising strategy and mass market user penetration of 87%† across Europe the mobile advertising format is clearly set to become an increasingly effective platform

# Targeting according to demographic

Q17/18. Do you see an increase in targeting online advertising according to demographic breaks associated with traditional media and if so which age band have you seen an increase?

- 72% of advertisers see an increase in targeting online advertising according to demographic breaks associated with traditional media, with over half increasingly targeting 25-44 year olds

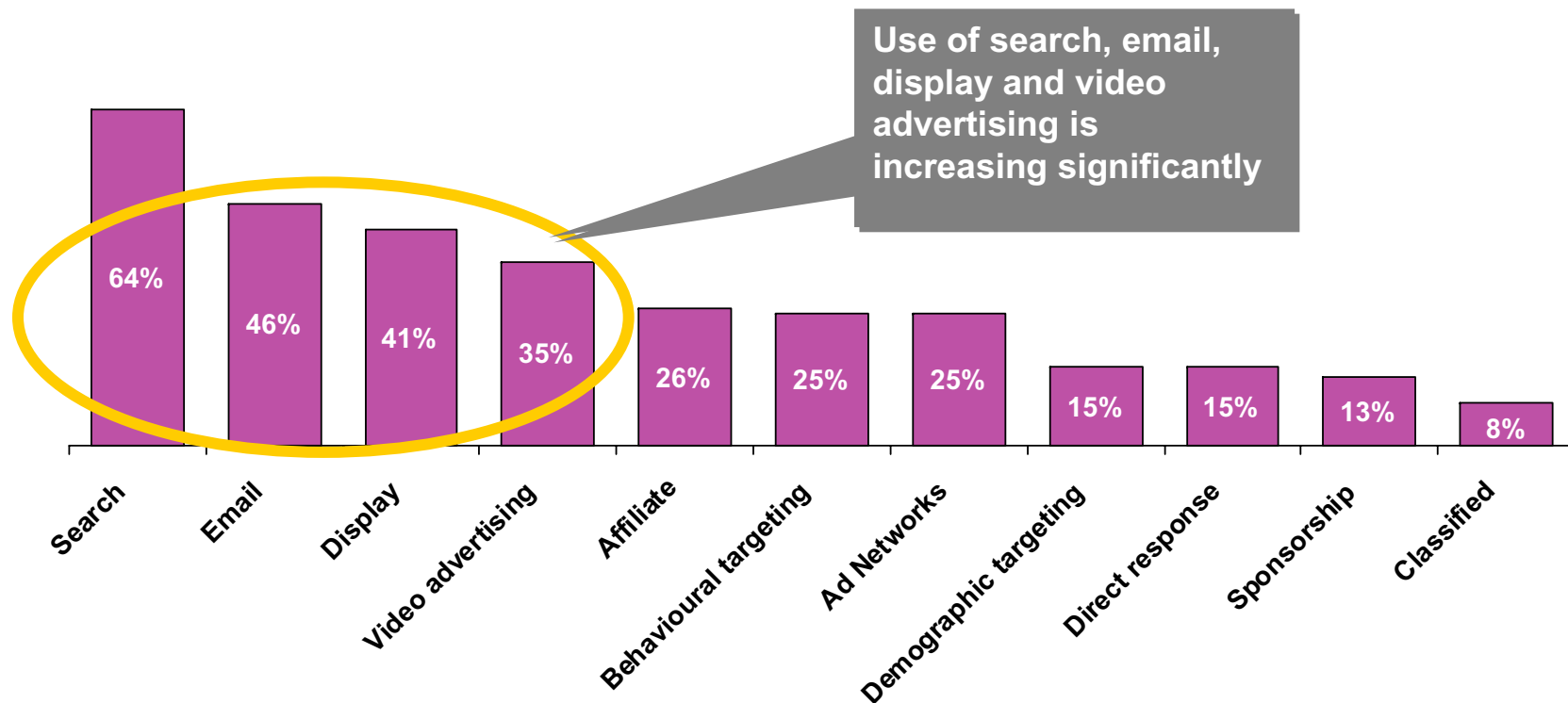


Base: 111/105

# Formats, tools and buying mechanisms for online

Q15/16. Which of the following formats, tools and buying mechanisms are you increasing use of within your interactive marketing strategies and are your objectives for using these direct marketing, brand advertising or combination?

- 64% of respondents cited their objectives for using these formats is a combination of direct marketing and brand advertising, 19% use for just direct marketing and 17% use for brand advertising alone



Base: 114/112



# Pan-Regional Online Ad Budgets

- According to the research, advertisers are currently allocating an average of 16% of their online ad spend budgets at a pan-regional\* rather than country level
- On average pan-regional advertisers also predict a higher increase in their online advertising spend in 2009 with 82% citing an increase compared with 69% of their local counterparts
- Pan-regional advertisers are significantly increasing their use of behavioral targeting in their online strategy compared to local (39% vs. 22%).
- With more brands taking a European-led approach yet executing county specific campaigns, it seems that advertisers are taking further steps to increase cost efficiencies yet continue to maximise the potential of their target market

# Key findings

- Advertisers continue to increase investment in online despite current economic climate
- Online continues to divert spend from traditional advertising budgets
- Renewed focus on targeting to further increase ROI
- Mobile and video innovation seen as key market drivers over the next three years
- Increase in Pan European campaigns as advertisers aim for better cost efficiencies

# Who took part

- There were over 300 respondents – these were marketers' with responsibility for allocating their company's media budget and setting advertising strategy in the following markets and sectors:
  - UK, France, Germany, Italy, Spain, Netherlands, Belgium, Sweden, Norway and the pan-European sector
  - Automotive, entertainment, travel, consumer electronics, FMCG, telecommunications, finance and retail sectors
- Participating companies include - 20<sup>th</sup> Century Fox, 3suisse, Activision, Burger King, Carrefour, Chevrolet, Citibank, Cooperative, Danone, Delta Lloyd, Deutsche Bank, Dexia Bank, Diageo, Ferrero, Ford, Germanwings, Henkel, Heinz, ING Direct, John Lewis, Kraft Foods, L'Oréal , La Coste, Mars, Mastercard, Nestle, Nissan, Orange, Procter & Gamble, Reckitt Benckiser, Santander, Siemens, Sony, Telefonica, VisitBritain, Vodafone, Warner Bros

# About the EIAA

- The European Interactive Advertising Association ([www.eiaa.net](http://www.eiaa.net)) is the leading pan-European trade organisation for sellers of interactive media and technology providers.
- The primary objectives of the EIAA are to -
  - champion and improve the understanding of the value of online advertising as a medium,
  - to grow the European interactive advertising market by proving its effectiveness, thus increasing its share of total advertising investment
- Since its founding in 2002 the EIAA has invested substantially in multimedia research, marketing, standardisation activities and education, of both the market and government, on the role of interactive advertising.
- With this wide-ranging programme the EIAA has grown quickly to command a solid reputation and influential position within the European online market.

# About the EIAA

- Members are:



- With these member networks reaching the majority of the European online audience, the EIAA is in a unique position to work with advertisers and agencies to realise the full potential of interactive media in any marketing strategy..