



European Online Ad Spend Trends Slowly Up

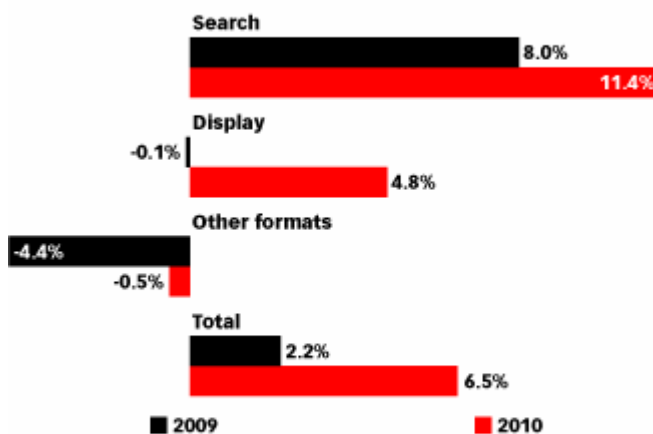
SEPTEMBER 3, 2009

Search is the mainstay

Online advertising spending growth in Europe has fallen in 2009, but is expected to remain positive, according to [IAB Europe](#), [PricewaterhouseCoopers \(PwC\)](#) and [Screen Digest](#).

Total online ad spending will reach €12.9 billion (\$18.96 billion) in 2009, a 2.2% increase over 2008. Growth is expected to pick up further in 2010, rising 6.5% year over year—still sluggish compared with the 21.3% climb in 2008.

Online Advertising Revenue Growth in Europe, by Format, 2009 & 2010 (% change)



Source: Interactive Advertising Bureau Europe (IAB Europe), PricewaterhouseCoopers (PwC) and Screen Digest provided to eMarketer, August 20, 2009

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The growth that remains will be driven by a relatively strong search ad market. While display spending is expected to dip 0.1% this year, search will grow by 8% in 2009 and 11.4% in 2010, to reach €6.7 billion (\$9.85 billion).

The picture in the UK is more muted. Display revenues are expected to fall by 4% in 2009, but the nondisplay market is picking up less of the slack, with only a 0.4% rise predicted this year. Total online advertising revenues will fall by 0.4% in 2009, and trend slightly upward in 2010, by 2.4%.

**UK Online Advertising Revenues, by Format, 2007-2010
(millions of €)**

	2007	2008	2009	2010
Search	€1,663	€2,041	€2,102	€2,186
Display	€608	€655	€629	€647
Other formats	€618	€745	€696	€674
Total	€2,889	€3,441	€3,427	€3,507

Note: numbers may not add up to total due to rounding; converted to euros at the December 31, 2008 rate
Source: Interactive Advertising Bureau Europe (IAB Europe), PricewaterhouseCoopers (PwC) and Screen Digest provided to eMarketer, August 20, 2009

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“The online market is struggling to regain momentum,” notes Karin von Abrams, eMarketer senior analyst. “As we head toward Q4, there are signs that rising consumer confidence in the UK may help to lift spending and encourage advertisers to raise their own expenditures once more. But until that recovery kicks in, advertisers will rely chiefly on search as a safe option that guarantees significant return on investment.”

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