



warc
ideas and evidence
for marketing people

GLOBAL ADSPEND GROWTH FORECAST TO RISE 5.8% IN 2014

London, 30th July 2014

The latest consensus ad forecast from Warc, the marketing intelligence service, indicates that global advertising expenditure will increase by 5.8% in 2014. A rise in expenditure of 5.0% is also expected in 2015.

Warc's Consensus Ad Forecast is based on a weighted average of adspend predictions at current prices from ad agencies, media monitoring companies, analysts, Warc's own team and other industry bodies.

Of the 13 markets covered in the report, 12 are forecast net growth in adspend in 2014. The rate of growth has been revised upwards for eight countries since our previous forecast in January 2014, with Brazil demonstrating the greatest single rise (up 2.4pp). Forecasts for three countries have been cut. It should be noted that total global adspend has also seen a 0.6pp rise in expectations from the last report.

Adspend growth by country, 2014 vs 2013

| | Yr-on-yr % change | Percentage point difference vs January |
|---------------|----------------------|---|
| Brazil | 12.8 | 2.4 |
| India | 11.3 | 0.3 |
| China | 11.1 | -0.1 |
| Russia | 9.0 | -1.7 |
| UK | 6.4 | 1.0 |
| US | 5.5 | 1.5 |
| Canada | 3.5 | 0.0 |
| Japan | 2.4 | 0.4 |
| Australia | 2.1 | 1.5 |
| Germany | 1.6 | 0.4 |
| Spain | 1.5 | 0.3 |
| France | 0.4 | 0.0 |
| Italy | -0.4 | -0.2 |
| Global | 5.8 | 0.6 |

Source: Warc's Consensus Ad Forecast (www.warc.com)

Italy is predicted to be the only country in which adspend will contract in 2014 – by 0.4%. Adspend in Russia, previously expected to record double digit growth in 2014, is now predicted to rise 9.0% after a 1.7pp downgrade.

BRIC countries will be the strongest performers, with Brazil, India and China expected to see all-media growth of 12.8%, 11.3% and 11.1% respectively.



All media, barring newspapers and magazines, are predicted to record year-on-year growth in 2014, with internet up the most, on 16.4%. Internet is the only channel for which forecasts have upgraded since the previous forecast.

Adspend growth by medium, 2014 vs 2013

| | Yr-on-yr % change | Percentage point difference vs June |
|-------------|----------------------|--|
| Internet | 16.4 | 2.3 |
| TV | 5.3 | -0.5 |
| Cinema | 4.6 | -1.2 |
| Out of home | 4.6 | -0.2 |
| Radio | 2.0 | -0.3 |
| Magazines | -3.5 | -1.2 |
| Newspapers | -4.8 | -2.1 |

Source: Warc's Consensus Ad Forecast(www.warc.com)

Suzy Young, Data and Journals Director, Warc said: "

"

END

Contact details:

Suzy Young, Data and Journals Director, Warc

suzy.young@warc.com

t: +44 (0) 20 7467 8140

About Warc

Warc is an online service offering advertising best practice, evidence and insights from the world's leading brands. Warc helps clients grow their businesses by using proven approaches to maximise advertising effectiveness.

Warc's clients include the world's largest advertising and media agencies, research companies, universities and advertisers.

In addition to its own content, Warc features advertising case studies and best practices from more than 50 respected industry sources, including: ARF, Effies, Cannes Lions, ESOMAR and IPA. Warc hosts three annual case study competitions: Warc Prize for Innovation, Warc Prize for Social Strategy and Warc Prize for Asian Strategy.

Founded in 1985, Warc is privately owned and has offices in the UK, U.S. and Singapore.

<http://www.warc.com>