

Press Release

For immediate release

Mobile is world's second-largest advertising medium, representing 23% of global adspend

Global Ad Trends - A focus on mobile

Global, 29 November 2017 – WARC, the international authority on advertising and media effectiveness, has released its latest monthly Global Ad Trends report digesting up-to-date insights and evidenced thinking from the worldwide advertising industry.

Focusing on mobile, this latest Global Ad Trends report includes key findings based on data from WARC's 12 key markets - Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia, United Kingdom and United States - which between them account for approximately two-thirds of the value of global ad trade.

Mobile is now the world's second-largest advertising medium

Mobile is now the second-largest ad medium by spend, having overtaken desktop internet for the first time this year. With an anticipated year-on-year growth rate of 35.2%, mobile adspend across all formats is expected to amount to \$98.3bn in 2017, representing 23% of global spend.

WARC estimates that 51% of total mobile advertising expenditure for this year will be allocated to search. Display formats are expected to account for 45% and classified and other spend 4%.

The largest mobile markets are the US, China and the UK. TV is expected to remain the world's largest ad medium by spend this year and next, at around \$139bn.

Almost all of Facebook's ad revenue now comes from mobile

Social networking accounts for over a third of daily online time via all devices (2hrs 15mins), and one in seven people (1.1bn) access Facebook via a mobile device each day.

Mobile's share of Facebook's ad revenue is expected to equate to 88% (\$34bn) for 2017, up 5 percentage points from 2016.

With mobile display adspend expected to reach \$45.2bn within WARC's 12 key markets this year, there is a strong correlation between Facebook's global mobile ad growth and the growth of mobile display in the markets. However whilst mobile growth will far outpace all other media,

as Facebook's mobile ad revenue growth eases (a forecast rise of 40% in 2017 versus 70% in 2016), global mobile display growth will also cool.

The duopoly of Facebook and Google accounts for a quarter of global advertising spend

A comparison of company revenues with data in WARC's Adspend Database, which contains adspend data for 96 markets, shows that the duopoly of Facebook and Google will account for 61% of all online advertising expenditure this year, up from 58% in 2016 and 47% in 2012.

Further, the anticipated \$133bn in combined revenue will equate to a quarter of all adspend worldwide in 2017, up from a fifth in 2016 and just 9.4% in 2012.

James McDonald, Data Editor, WARC, says: "Daily mobile time has more than doubled over the last five years – from 1hr 17mins in 2012 to 3hrs 2mins in 2017 – and our research demonstrates how marketers are looking to capitalise on this by investing more in social, video and native mobile formats over the coming years. Much of this influx has been to the benefit of the duopoly – Facebook and Google – where one in four dollars of global advertising is now spent."

Global Media Analysis: A round-up of the importance of mobile

Mobile advertising accounts for:

- 23% of global advertising spend this year
- 55% of North American marketers aim to focus on mobile branded content by 2022
- 88% of Facebook's ad revenue attributed to mobile in 2017
- 92% of Facebook's daily users use mobile
- 135% increase in daily mobile time since 2012

Other new key media intelligence on WARC Data

- Programmatic accounts for over a third of the value of US ad trade
- Advertising expenditure has grown faster than the global economy since 1980
- 100% pixels is twice as effective as current online video industry standard

Global Ad Trends is part of **WARC Data**, a newly enhanced dedicated online service featuring current advertising benchmarks, data points, ad trends and user-generated expanded databases.

Aimed at media and brand owners, market analysts, media, advertising and research agencies as well as academics, WARC Data provides current advertising and media information, hard facts and figures – essential market intelligence for ad industry related business, strategy and planning required in any decision making process.

WARC Data is available by subscription only. For more information visit

<https://www.warc.com/data>

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About WARC – advertising evidence, insights, best practice and data

WARC.com is an online service offering advertising best practice, evidence, insights and data 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, advertisers, market analysts and academics.

WARC runs four global and two regional case study competitions: WARC Awards, WARC Innovation Awards, WARC Media Awards, The Admap prize, WARC Prize for Asian Strategy and WARC Prize for MENA Strategy.

WARC also publishes leading journals including Admap, Market Leader, the Journal of Advertising Research and the International Journal of the Market Research Society. 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.

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

About WARC Data – a global advertising trends, benchmarks, data points & database service

WARC Data provides current advertising and media information, hard facts and figures – essential market intelligence for ad industry related business, strategy and planning required in any decision making process.

Core features of WARC Data are:

- **Benchmarks:** improve campaign performance using planning and measurement benchmarks
 - ROI Calculator: compare campaign ROI with WARC case studies database
 - Media Allocation: plan campaign budgets using media splits from successful campaigns
 - Ad/Sales Ratios: advertising/sales ratios for 200 SIC-coded US industries
- **Data Points:** Takeaway charts and data on media spend, costs and consumption
 - New series of chart-led data articles bringing clients the most reliable stats on a given topic
 - Delivered via search results and topic update emails
 - Download the chart in PPT and/or the data in Excel directly from the article
 - Articles are updated on a rolling basis throughout the year and can be saved in "My WARC"
- **WARC Reports:**
 - Global Ad Trends: a monthly report digesting the latest insights and evidenced thinking from the global advertising industry
 - The Global Marketing Index (GMI): a monthly barometer of marketer sentiment towards trading conditions, budgets and staffing levels on a global and regional level
 - State of The Industry: Mobile Marketing: results from exclusive surveys by WARC and the Mobile Marketing Association into brands' use of mobile around the world
 - Media Consumption overviews: market-specific consumption trends for 36 countries
- **Extensive Databases:**
 - International adspend forecasts for 12 key markets by medium and ad format
 - WARC's adspend database holds advertising spend figures in 96 countries back to 1980
 - Media Costs database monitors CPM and cost per 100 GPRs in 68 countries, by medium and target audience

WARC Data is available by subscription only. For more information visit <https://www.warc.com/data>