

## P R E S S   R E L E A S E

### TV to drive 2010 UK adspend growth

**30th June 2010:** TV will be the main driver of UK advertising expenditure growth for 2010, with revenues to increase by an estimated 9.1% across the year, according to the latest AA/Warc Expenditure Report.

The report provides the most comprehensive measure of UK advertising activity – encompassing print, TV, digital, cinema and out of home – and expects TV to outperform online, which should grow by 7.7%.

It also predicts overall market growth of 3.3% in 2010, up from the previous forecast of 2.3%. Total adspend is now expected to reach £14.98bn in 2010, an increase of £0.5bn from 2009.

Following six consecutive quarters of decline, UK adspend grew by 3.4% in Q1 2010, much faster than expected. Most media performed well in the first three months of the year. Out of home (+14.6%) was the strongest performer year-on-year, with big gains also registered for TV (+9.8%), internet (+9.2%), radio (+8.7%) and cinema (+3%).

Financial advertising returned to growth (+0.4%) in the first quarter for the first time since Q3 2007 and will continue this positive trend going forward.

Amidst reports suggesting that government cuts will set back the industry, COI advertising spend is expected to be reduced considerably. The government and charity sector, which accounted for 7.2% of total adspend in 2009, is predicted to register a double digit decline this year as a result. All other sectors should see growth across 2010 and 2011.

“Despite the doomsday predictions as the government slashes adspend, the industry is in good health,” said Tim Lefroy, Chief Executive at the Advertising Association. “Overall performance is actually outstripping the official forecasts.”

## **Editors' Notes**

### **Further information**

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### **About the Advertising Association/Warc Expenditure Report**

The Advertising Association/Warc Expenditure Report is a comprehensive, quarterly review of advertising spend on all major UK media. All data is net of discounts and includes agency commission, but excludes production costs. The survey was launched in 1982, and has produced data on a quarterly basis since.

The Expenditure Report ([www.warc.com/expenditurereport](http://www.warc.com/expenditurereport)) launched in February 2010 and is available exclusively online only; subscribers will be able to access over 150 standard tables, build their own tables for different media and time periods, download bespoke analysis and track different media sectors' share of adspend via a new tool. An annual subscription to the AA/Warc Expenditure Report costs £1,025. Members and affiliates of the Advertising Association pay a discounted price of £660. The quarterly figures for Q2 2010 are due to be released in September 2010

### **Methodology**

The press data is derived from information provided directly by publishers of national newspapers, regional newspapers and business and consumer magazines. Television data is based on figures provided by various industry sources including Ofcom. Radio, Outdoor and Cinema data comes from the Radio Advertising Bureau (RAB), Outdoor Advertising Association (OAA) and the Nielsen Company respectively. The Royal Mail provides direct mail expenditure. Internet data is based on the Internet Advertising Bureau (IAB) survey carried out biannually by PricewaterhouseCoopers, and a survey of online recruitment specialists carried out by Warc. Sponsorship and promotions expenditure data has been excluded from the totals for both TV and radio for consistency purposes, as quarterly figures are not yet available for TV.

### **About the Advertising Association**

The Advertising Association is the only body representing all sides of the advertising and promotional marketing industries. Its membership represents advertisers, agencies, media and support services in the UK. The advertising industry employs nearly 250,000 people, and has a Gross Valued Added (GVA) of £6.2bn to the UK economy each year. In 2009, advertising expenditure totalled £14.5bn. Further information about the organisation is available at: <http://www.adassoc.org.uk/>

### **About Warc**

At the heart of Warc is [Warc.com](http://www.warc.com), a unique resource relied upon by major creative and media agency networks, market research companies, media owners, multinational advertisers and business schools to help tackle any marketing challenge. It provides online access to thousands of case studies, Best Practice guides that explain the 'how' and the 'why' of marketing challenges and brand profiles. Warc also provides adspend data, runs events and publishes leading journals including Admap, Market Leader and the Journal of Advertising Research.