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FORECASTERS CUT ADSPEND GROWTH FIGURES

London, 6 August 2012

Industry predictions for 2012 global adspend growth have fallen by almost a full percentage point since April, according to the latest Consensus Ad Forecast from Warc, the marketing intelligence service.

Warc estimates the industry consensus for worldwide adspend growth has fallen from 5.3% to 4.4% for 2012, and from 5.4% to 4.9% next year amid concerns about the global economy.

The figures are in local currency at current prices before adjusting for inflation, and are based on Warc's weighted average of predictions from media forecasters, monitoring groups, Warc's in-house team and other industry bodies.

Since April, growth expectations have been trimmed in 11 of the 13 markets covered by the quarterly Consensus Forecast, with Italy, Spain and India witnessing the biggest reductions.

In contrast, China and Russia are predicted to record the biggest increases in adspend in 2012, with growth of 14.7% and 12.0% respectively. Similar levels of growth should be maintained for both markets next year.

Adspend growth by country, 2012 vs 2011

	Yr-on-yr % change	Percentage point difference vs April
China	14.7	-0.1
Russia	12.0	-1.6
Brazil	9.5	-0.7
India	8.7	-2.7
Canada	3.7	-0.8
US	3.6	-0.5
UK	3.4	+1.0
Japan	3.3	+0.5
Australia	1.5	-1.1
Germany	1.3	-0.3
France	0.4	-0.6
Italy	-5.0	-5.0
Spain	-7.8	-4.6
Global	4.4	-0.9

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

Of the main media, spend on the internet is expected to increase 14.8% in 2012, an increase of 0.6pp since our April forecast. All other media have had expectations scaled back in recent months, but cinema (+4.7%) and TV (+4.6%) are both predicted to grow above trend.



Adspend growth by medium, 2012 vs 2011

	Yr-on-yr % change	Percentage point difference vs April
Internet	14.8	+0.6
Cinema	4.7	-0.6
TV	4.6	-1.3
Out of home	4.0	-1.3
Radio	2.4	-0.3
Magazines	-2.1	-1.0
Newspapers	-2.5	-1.0

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

Suzy Young, Data Editor, Warc said: "The lack of resolution to the crisis in the eurozone is continuing to impact confidence. Global advertising spend is holding up thanks to the Olympics, the US presidential election and rapid growth in China."

END

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About Warc Forecasts & Data

Warc (www.warc.com) has produced trusted and independent data on advertising expenditure and media costs for more than 25 years. It has partnerships with leading advertising organisations in more than 80 countries.

The *Warc Consensus Ad Forecast* is updated four times a year and provides estimates for total advertising expenditure and expenditure on seven individual media for 13 markets. The markets covered by the forecast are: Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia, Spain, UK and US.

The media covered by Warc's forecasts are: TV, newspapers, magazines, internet, outdoor, radio and cinema. Totals for individual media include both display and classified advertising. The figures for internet advertising expenditure incorporate display, classified and search.

Warc data products are available on subscription from www.warc.com. They are used by leading advertisers, media agencies and media owners in all markets. To find out more about Warc's data products and its flagship online service, www.warc.com, visit www.warc.com/Topics/ForecastsandData.topic or request a trial at www.warc.com/trial