

Press Release

For immediate release

TV takes almost two-thirds of successful big-budget ad campaigns

Global Ad Trends - A focus on TV

Global, 7 November 2017 – WARC, the international authority on advertising and media effectiveness, has released its first Global Ad Trends Report digesting the latest insights and evidenced thinking from the worldwide advertising industry.

The first monthly Global Ad Trends report, focusing on TV, includes the following key findings:

TV takes up almost two-thirds of media spend in high budget successful brand ad campaigns

Data drawn from analysis of more than 600 case studies in WARC's database show that successful high-budget campaigns (\$10m+) allocate 66% of their media spend to TV.

Additionally, with an increasing budget comes an increased proportion of budget allocated to TV. At the same time, the proportion of budget allocated to digital decreases. Low budget campaigns (up to \$500k) allocate on average 8% on TV and mid-budget campaigns (\$500k to \$10m) spend between 25% to 60%.

High-budget campaigns continue to focus on TV, despite the rise of digital

Budget allocation to TV has remained consistent in recent years, at approximately two-thirds. This tallies with TV's share of global advertising spend, which has also remained stable over the period.

Financial services and alcoholic drinks brands are most TV-led.

TV draws 35% of global advertising spend

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, show that TV drew 34.9% (\$141.8bn) of global adspend last year. This is down from a peak of 40.5% in 2010, but is just a 0.9 point dip over the decade.

Media agencies expect TV costs to rise in 2018

Data from WARC's Media Inflation Forecast, a survey of global media agencies, show that the cost-per-thousand (CPM) for a 30-second TV spot is expected to rise by an average 5% on a global basis next year.

TV CPM in the US, the world's largest market, is anticipated to rise with the global average. In developing markets, namely India and China, it is predicted to rise well ahead of the global average.

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

TV accounts for:

- 24% of daily media consumption
- 35% of global advertising spend
- 47% of global display adspend
- 66% of successful, high-budget campaigns
- 88% of global video spend

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.

Other new key media intelligence on WARC Data:

- Facebook's attainable user penetration nears 50%
- Martech is a \$34bn industry in the UK and US
- WARC's own International Forecast shows Global adspend is expected to rise 5.0% in 2017 and 5.9% in 2018 (PPP)
- Mobile expected to account for 92% of global digital adspend growth this year
- Russia (+10.6%), India (+10.4%), China (+8.2%) and Australia (+7.3%) ad markets to grow fastest this year and next
- Marketing budgets continued to grow in Europe during October 2017, but showed weakness in APAC and Americas

James McDonald, Data Editor, WARC, says: "The advertising industry increasingly relies on factual and evidenced data to make business decisions on a daily basis. With the launch of our monthly Global Ad Trends Report, which is included as part of our newly enhanced data platform, we will provide the latest independent, objective and unbiased information drawn from actual figures rather than modelled or estimated data."

Aimed at media and brand owners, market analysts, media, advertising and research agencies as well as academics, WARC Data will provide 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>