

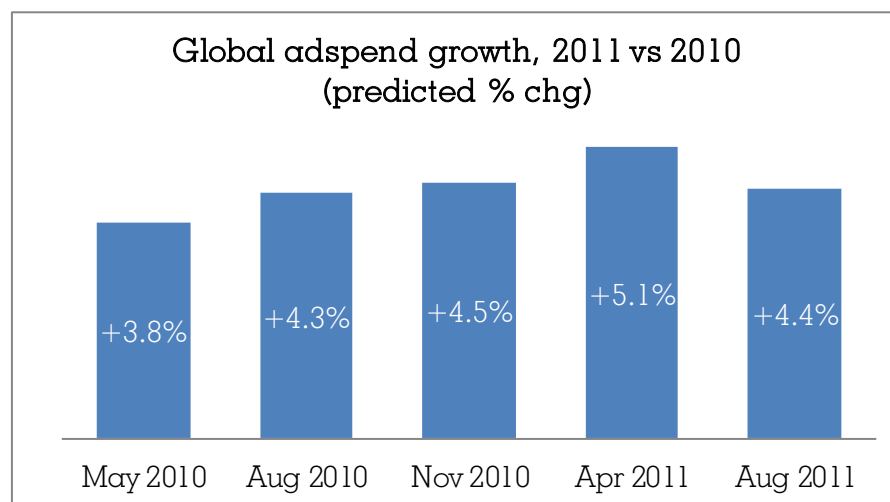


WARC
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EXPECTATIONS FOR GLOBAL ADSPEND SHRINK

The latest Consensus Ad Forecast from Warc, the marketing intelligence service, indicates that global advertising spend will increase +4.4% in 2011, well below the +5.1% growth predicted as recently as April.

The reduced consensus growth figure reverses industry forecasters' steadily improving adspend growth projections of the last 15 months. Recent global economic uncertainty and an increasing reluctance from marketers to commit spend have resulted in the gloomier outlook.



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

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 countries included in the report, the downward revisions since the last Consensus Forecast published in April are largest in Italy (down -3.7pp to -0.7%) and Spain (down -3.1pp to -0.7%), in line with the recent loss of confidence in these economies.

Just three markets have seen adspend predictions increase since the last Consensus Forecast: Russia (+3.6pp to +19.8%), China (+0.8pp to +14.1%) and Canada (+0.1pp to +5.4%). Russia is expected to show the biggest year on year increase in 2011 at current prices.



According to the Consensus Forecast, global adspend will experience a better year in 2012. The latest forecast predicts an expansion of +6.3% in 2012, marginally up from the previous 2012 consensus figure (+6.2%).

Warc's own forecast is one of the more pessimistic included in the Consensus Forecast. Warc predicts current price adspend across 12 key international advertising markets will grow +3.2% in 2011 and +5.7% in 2012.

Suzy Young, Data Editor, Warc said: *"In just a few months the global economic outlook has worsened considerably and this is reflected in the latest Consensus Ad Forecast. Ad markets in the US and Western Europe seem particularly vulnerable. But all will be affected if we go into a double dip recession. "*

In terms of individual media, global online advertising is expected to record the strongest increase in 2011 at +14.6%, followed by +13.3% next year. TV will also see substantial growth over the forecast period at +5.0% and +7.5% respectively.

Contact details:

Suzy Young, Data Editor, Warc

e: suzy.young@warc.com

t: +44 (0)20 7467 8140

m: +44 (0)7905 373353

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 take a free trial at www.warc.com/trial

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