



## Video and native underpin continued revenue growth for digital advertising

Sydney, 28th November 2018: Fueled by strong growth in both video and native/in-feed, digital advertising revenue hit \$2.2 billion for the September quarter 2018, representing a 13.2% increase year-on-year. The data which was drawn from the Online Advertising Expenditure Report released today by IAB/PwC also confirmed the industry maintained stable quarter-on-quarter growth of 1.6% from the preceding June 2018 quarter. The latest report shows Search and Directories continues to represent the largest proportion of the online advertising market in Australia at 44 percent (\$983.2m) for the September quarter, with General Display at 37 percent (\$822.8m) and Classifieds at 19 percent (\$429.7m). Distribution of revenue across General Display advertising remained steady through the quarter, with video inventory now representing 40% of display advertising at \$329m – an increase of 18% year on year. Native/content/in-feed advertising increased from the last quarter and now represents 37% share of the total display advertising, while banner and standard display formats represent 21% share. According to Gai Le Roy, CEO of IAB Australia, the continued increase in video advertising reflects the rapid increase in video consumption on digital devices, with adult Australians now consuming nearly 31 hours per month on digital devices – an increase of 23% year on year. “Marketers are continuing to reinvest in digital advertising targeting people where they are spending record levels of time-consuming media. Adult Australians are now spending over 90 hours per month on their devices and this is creating new advertising opportunities that can help businesses grow,” said Le Roy. Mobile advertising made up 62% of total general display expenditure in the September 2018 quarter, an increase from 56% in the June 2018 quarter, to reach \$1,078.3m. Although the top five advertiser industry category ranking list for General Display advertising expenditure did not change, there was an increase in the finance industry’s share of general display as well as FMCG, a category that continues to invest heavily in video inventory. Despite softening on the prior quarter, automotive advertising continued to lead expenditure in the General Display market for the September quarter 2018, making it the leading category for over five consecutive years. Now in its 11th year of revenue reporting for the digital industry, the IAB / PwC Online Advertising Expenditure Report is recognised as the industry standard for independent market level industry intelligence for online advertising in Australia. To achieve differentiation from existing estimates and accomplish industry-wide acceptance, key aspects of the OAER include: Obtaining data directly from companies earning online advertising expenditures Making the OAER as inclusive as possible, encompassing all forms of Internet/online advertising, including web sites, mobile and video advertising and email providers Ensuring and maintaining a confidential process, only releasing aggregate data Performing “spot checks” of data submitted by participants to increase the overall integrity of the data. The online advertising expenditure measured by the OAER is based on amounts charged to the advertiser before any reductions for agency rebates. Therefore, the amount reported is the gross commissionable advertising revenue. The full report is available for IAB Australia members on the IAB website. /Ends About the Interactive Advertising Bureau The Interactive Advertising Bureau (IAB) Limited [www.iabastralia.com.au](http://www.iabastralia.com.au) is the peak trade association for online advertising in Australia. As one of over 43 IAB offices globally and with a rapidly growing membership, the role of the IAB is to support sustainable and diverse investment in digital advertising across all platforms in Australia. The IAB Industry Charter, which was announced in October 2018, details the organisation’s focus on helping marketers and agencies understand how digital advertising can deliver on their business objectives. Foundation elements of the IAB Industry Charter include a renewed focus on standards that promote trust, steps to reduce friction in the ad supply chain; and ultimately improve ad experiences for consumers, advertisers and publishers. Beyond the IAB’s continued focus on content and ad measurement, the Charter outlines four additional areas of activity: digital ad effectiveness, data and data privacy; standards and guidelines; and improving the digital value chain. For further information about IAB Australia please contact: Gai Le Roy CEO - IAB Australia T: 0408 431 455 E: [gai@iabastralia.com.au](mailto:gai@iabastralia.com.au) Pru Quinlan Einsteinz Communications T: (02) 8905 0995 E: [pru@einsteinz.com.au](mailto:pru@einsteinz.com.au)

### Contacts

Pru Quinlan  
+61 2 8905 0995  
[mailto: pru@einsteinz.com.au](mailto:pru@einsteinz.com.au)  
Karen Terranova  
+61 2 8905 0995  
[mailto: admin@einsteinz.com.au](mailto:admin@einsteinz.com.au)  
Sue Ralston  
0466 964 786  
[mailto: sue@einsteinz.com.au](mailto:sue@einsteinz.com.au)