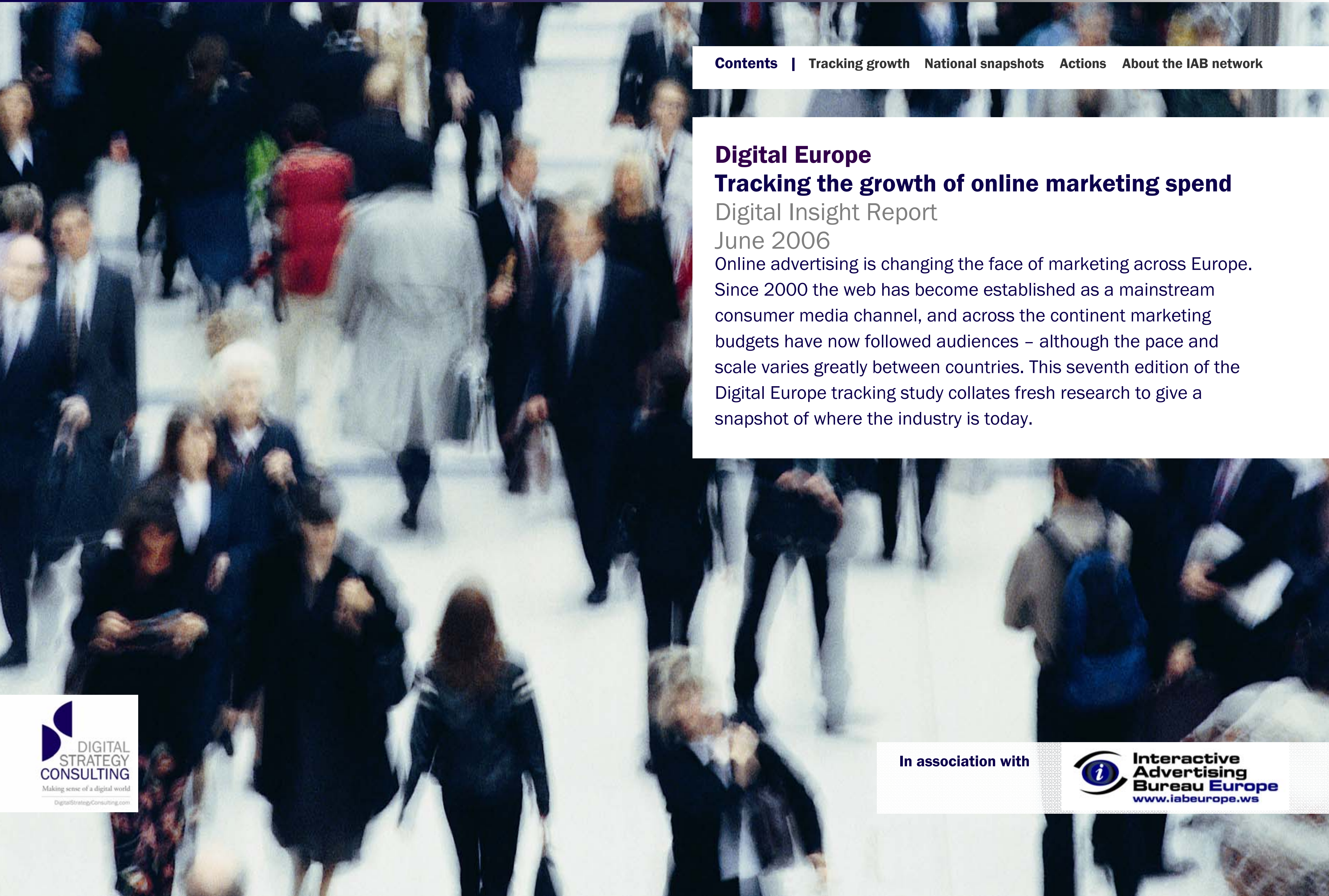

Digital Europe
Tracking the growth of online marketing spend
Digital Insight Report

June 2006

Online advertising is changing the face of marketing across Europe. Since 2000 the web has become established as a mainstream consumer media channel, and across the continent marketing budgets have now followed audiences – although the pace and scale varies greatly between countries. This seventh edition of the Digital Europe tracking study collates fresh research to give a snapshot of where the industry is today.

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Our thanks to national IABs, and a note about comparability of data

We would like to thank all the IAB teams who shared information and insights about their markets.

Because many of the national data sets are collected using different methodologies and approaches, attention should be paid when comparing the data provided by different countries. Inconsistencies between the definitions of net or gross advertising spend, or what is counted within the remit of 'interactive', prevent the accurate collation of these numbers into a single pan-European figure.

The figures presented here should be taken as indicative. Contact the national IAB for more information, and use the IAB's European portal – IABeurope.ws – for a listing of all IABs. Several countries may be in the process of setting up IAB associations, and from time to time their organizing teams have been able to provide market estimates.

Europe reaches its tipping point

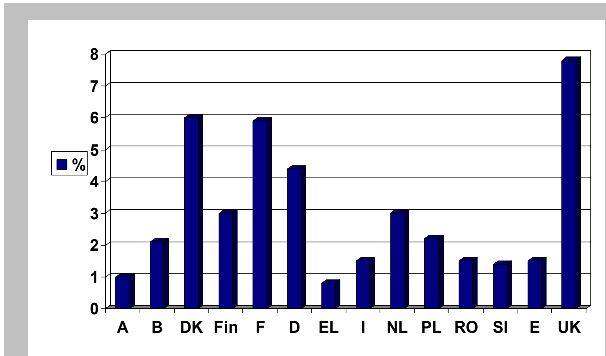
The European media markets are changing fast. Following ten years of gradual increase in the role the web plays in people's lives, the advertising markets are now moving, and moving at a quicker pace than ever before. This edition of Digital Europe reveals how online is already taking more than 5% of advertising spend in three countries, and how the 'big three' – UK, France and Germany – are accounting for more than 85% of all Europe's online adspend. However, the research also reveals the stark contrasts between the more advanced networked economies of North West Europe and those of the Mediterranean.

Total market size

Clearly a cascade effect is underway as key opinion formers in each European country embrace online and change the behavior of initially their firms and then the entire market. This new research - which includes collated data for actual spend and forecasts from IABs across Europe - reveals European online advertising spend comfortably broke €4.6bn in 2005 for the first time (a total of €4572m for the markets surveyed). With online advertising figures among the most accurate data sets in the digital networked economy, these figures can be used as a barometer for the much wider digital marketing industry.

Market share: the key metric to watch

Online advertising has already crossed into the mainstream of media in eight European markets, taking more than 2% of the national spend on media. The UK continues to lead the pack, both in terms of total online spend and the share the web takes of all media spend within the country. Share is the key metric in determining how digitally sophisticated a market is, and in the UK the internet reached 8.4% of all media spend in H2 of 2005 following twelve consecutive record-setting quarters. Belgium, Denmark, Finland, France, Germany,



Online's share of total media spend across Europe

The market share of online vs other media is the most revealing way of seeing how the use of digital has advanced. Across Europe share is rising, and the rate varies from around 1% to 7.8% in the most mature markets.

Source: IAB Europe / Digital Strategy Consulting 2006

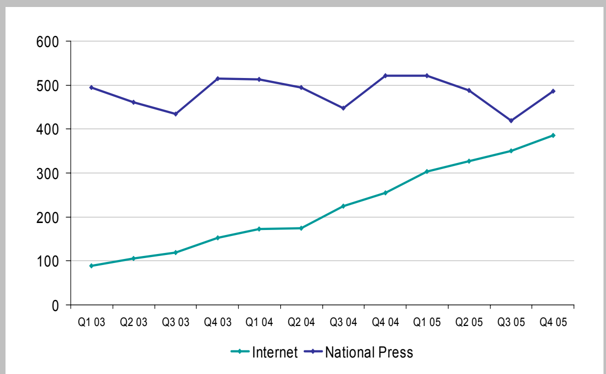
Netherlands and Poland have also crossed the 2% threshold for the share the web takes in their national market, with Germany, France and the UK accounting for more than 80% of the overall European market. This report only presents official data from each market, but with search engine advertising proving difficult to track in many countries, these figures probably understate the real market size in several countries, and were search to be fully factored in then Italy too would be reaching the 2% threshold.

However, with audiences across the continent spending 20% - 25% of their 'media time' online, it's no surprise marketers are turning their attention to the web, now that key hurdles including the standardization of advertising formats, the arrival of video and the reach of web marketing, have all now been crossed.

> The creative power of the engaging 'rich media' formats that take commercial messages across the whole web page has given creative directors a new freedom

Drivers of growth

Several markets have had ten or more successive quarters that have each seen new records set for the amount invested in online marketing. Regardless of what happens in the wider marketing community, online is on the rise; rapidly. We have isolated more than twenty drivers of the industry's growth. The relative mix of drivers varies with each country, and although the size of the potential market is set by the online population and its engagement with the channel, the scope varies greatly.



UK online adspend set to overtake national press at end of 2006

The massive sustained growth of online advertising in the UK has seen the industry overtake radio advertising and now it looks set to overtake national press. This could happen as early as November 2006.

Source Advertising Association (UK) & PricewaterhouseCoopers/IAB UK Study

The explosive growth of search engine listings is a common theme across Western Europe and Scandinavia, but dozens of other online advertising formats also drive growth. There's a new generation of web banners that are using sophisticated 'behavioural targeting' techniques to learn about the viewer's interest and provide tailored messaging. Television-like commercials can now be easily produced, allowing TV assets to be rebroadcast online and the campaign stretch further. The creative power of the engaging 'rich media' formats that take commercial messages across the whole web page has given creative directors a new freedom in design. And the standardization of advertising formats and some of the workflow processes has removed a barrier that long held agencies back from recommending the web.

But that doesn't mean every advertiser has discovered what online can do. Like any marketing innovation, there are some firms who lead, and some who follow. Online may be enjoying a high - and rapidly growing - share of advertising spend in Western and Northern Europe, but this hides a more interesting insight: most European firms are yet to start advertising online at all. Our figures represent a simple average of an entire country. Dig deeper and you'll find companies who have become experienced in online advertising putting 20% or more of their budgets into the web, while others in the same business sector may be yet to even start.

> Companies who have become experienced in online advertising are putting 20% or more of their budgets into the web, while others in the same business sector may be yet to even start

Building brands; generating response

Ironically, one key challenge that held the industry back was its diversity; it can support every aspect of the marketing mix. Smart online marketers realize it's about more than having a successful website. They have discovered how online marketing can support every aspect of a customer's journey – from the early stages of raising awareness of a brand, through the sale itself, and into the after sales service. That's why the proportion of investment into online continue to grow as more and more firms discover the power of web advertising as both a branding and direct marketing medium.

Nigel Morris, President Worldwide of the communications agency Isobar, is clear the growth is unstoppable: 'The world of media is changing and agencies across Europe need to be braver in crafting a new mix of media that really explores the rich variety of digital tools available and the vast European audiences you can reach with them'.

Advertisers: time to look again

If the last time a brand thought about online media was six months ago, then it's time to take a fresh look. This is a medium that does anything but stand still, and the reason it remains the fastest growing marketing channel is the power of its results. Whether for brand building or direct response, more and more marketers are turning to online, upweighting its role and using the expanding range of tools to create the right digital media mix for them.

> Across much of Europe the internet averages 20% - 25% of the total time we spend with all media

With the majority of consumers connected in most European countries, and the amount of time they spend online constantly growing, the internet has already become one of the most used media channels. Across much of Europe the internet averages 20-25% of the total time we spend with all media, a staggering leap in the focus we give to it.

Among many demographics, it has leapt even further, becoming a staple part of their lifestyle in everything from entertainment and shopping, to keeping up with the news and talking with their friends. Media consumption patterns have suddenly shifted, and marketers are catching up. Against a background of media fragmentation, and falling advertising effectiveness in television, it is no surprise that this ceaseless growth of online proves attractive. However, dig deeper and there are even more compelling reasons:

- Daytime is primetime - audiences that could never be reached before are now available and attentive
- A medium of a thousand niches – combines exceptional lifestyle targeting with a mass reach
- Accountability and making budgets stretch further – a strategic advantage of digital channels

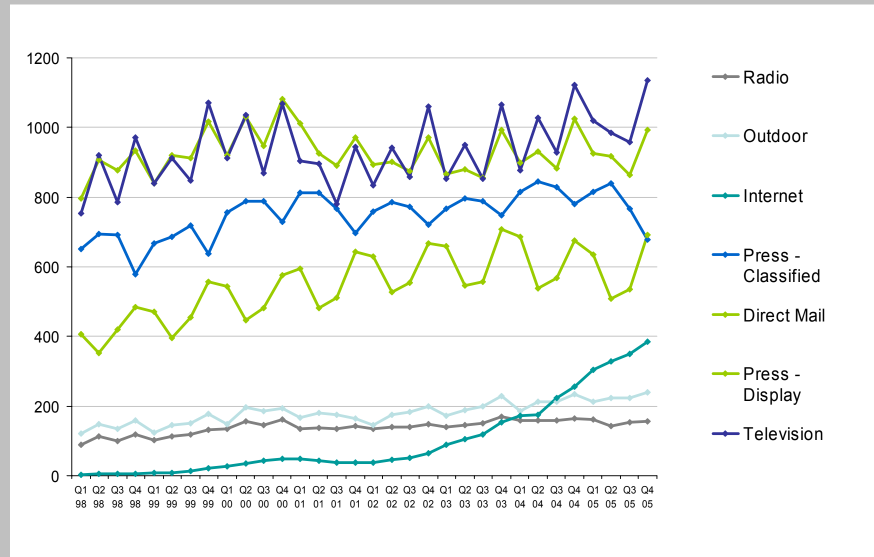
'It's no longer a question of whether to invest; it's now a matter of how much" says Michael de Kare-Silver, Managing Director of the AKQA agencies across Europe. Marketers have realised there is no escaping the enormous impact that digital is having. The key now is to work out how to fit this new opportunity into the rest of the marketing mix.'

Search engines: a revolution in customer acquisition

Search accounts for more than 40% of all online advertising spend in many countries including the UK and USA. It's changing the nature of customer acquisition marketing and the simplicity of search – any manager can try it out with a credit card – means you can experiment, test and refine easily. In the UK search is now bigger than the total national radio industry, and we believe will top consumer magazines when spend for 2006 is announced.

'We expect in 2006 to see search becoming much more integrated with other advertising media, not only across the online platform, but also with offline campaigns. Clients are beginning to see the benefits of incorporating search into campaign planning instead of treating it as a stand-alone medium', says Nick Hynes, CEO of The Search Works.

Search has revolutionised direct marketing. It is the purest marketplace; buyers meet sellers and do so at the very moment the buyer is actively looking. The efficiency this creates has not been lost on either the advertiser or the web user and is one of the keys to its sudden appearance as a mainstream business tool. Search delivers the most qualified of prospects; a self-selecting audience that is ready to act. The commercial propositions this taps into have become much more sophisticated than an immediate sale. They could be to encourage an



UK: outdoor overtaken

Rising more than 60% year-on-year, the UK remains the largest market in Europe, with 2005 highly likely to break the £1bn threshold. Online media spend has overtaken cinema, radio and now outdoor advertising at a time when the rest of the industry is relatively static. By summer 2005 it was five times larger than at the height of the dotcom boom, accounting for 8.4% of all ad spend.

Source: PricewaterhouseCoopers / Internet Advertising Bureau / Advertising Association / Radio Advertising Bureau / WARC appointment (such as making a request to test drive a car), make deeper product information available (downloading a brochure), building a customer database (by inviting users to subscribe to a newsletter), or making the purchase itself. These customers have sought out those brands. They're actively seeking information, and hence 'ready to act.'

> Search is changing the nature of customer acquisition marketing…and has revolutionised direct marketing

Media substitution: clear evidence from the UK

As online's share of the market has grown, spend is being drawn from other channels. Although some of this spend is migrating from the print editions of publications – particularly consumer magazines and directories – much is moving to the internet pure play firms, in whose hands the market remains highly concentrated.

Direct mail is suffering severely as customer acquisition budgets move to search, and retention budgets move to email marketing (the spend on which is not currently tracked). Classified advertising in newspapers and magazines is finally migrating to the web, with recruitment the largest single advertising sector online in several markets, and much of the advertising spend evaporating in favour of free to air models such as CraigsList.org, or disintermediation as consumers access company websites directly.

Which industry sectors have invested the most in online advertising?

Financial services and recruitment are the largest two client categories in many countries. Their products are a natural fit with the early web environments and as the firms refocused their marketing to include the web, audiences found the services useful and a virtuous circle developed.

This picture has changed a great deal. Initially the sectors that explored online advertising were IT and telecoms. In the mid nineties their products were a perfect fit for the first wave of web users whose interests and employment were heavily skewed in favour of the same sectors. Next it was the turn of the sectors whose products can be reviewed, inspected, compared and even sold, without the need to touch them. The early explosion of book and CD retailing relied upon customers knowing the title of what they wanted to buy and then following links to online bookstores. Travel and financial service products were natural early migrants as well, and although every sector has its own early adopters, the migration in spend only happens when enough firms realise the potential of the new marketing channel.

Although some industry sectors embraced online early on, others were much slower. There were structural barriers in the industry that had to be conquered before some sectors would begin to move en masse. For example, the lavish advertising creative of the motoring industry rendered poorly in the early online advertising formats, but the rapid take-up of video and 'rich media' creative formats since 2002 has tackled this. Fast moving consumer goods (FMCG) held back initially because of concerns over the audience reach of online, and because the model of how online advertising drove offline sales was unclear. In both cases these barriers have now been lifted enough to give the brands the confidence to invest.

Small and local firms found the internet particularly difficult to engage with and most held back for a long time. Smaller firms found it difficult to get started with online marketing because there was no roadmap for them. Many of the routes they tried proved to be a combination of time consuming, expensive, or slow to deliver results, as initially not enough customers were using it in enough ways. However all this has now changed. Any firm can enjoy a basic site for almost nothing, and they need little in the way of technical skills to achieve this. That's why managers in smaller and 'local' firms are increasingly focusing on the web, and in particular search engine advertising, as a way to attract customers.

Where next?

With the market share in the UK topping 8% in latter part of 2005, it seems reasonable to assume that online will cross the 10% threshold by the end of 2006. This will take internet advertising spend above the levels of advertising invested in national press for the first time. However, the implications of what's happening in the UK stretch well beyond its national boundaries. Much of the pan-European advertising industry is planned out of London agencies and this shift in thinking is bound to have a knock-on effect to the mix of media in pan-European campaigns.

Secondly, the last ten years has shown how the UK can behave like a laboratory for what then happens in the rest of Europe. There are always national factors that make each market unique, but from the rise of rich media graphical formats, to the IAB's Universal Advertising Package (UAP), to the explosive growth of search marketing – all are now being followed across North West Europe, and in time central and Southern Europe.

We've been tracking around 20 factors that influence the size of advertising markets, and uniquely, almost all these factors are positive in the online industry. This suggests that the growth will not only continue at very strong rates (more than 30% year-on-year in most countries) but that when it tapers off, it will settle at a level in excess of where television is in many markets (the UK included). The revolution in media consumption has happened, but its scale continues to grow. That's why online marketing is crossing its tipping points in each European market.

Austria
Audience
65% of the population is online (4.4m users)
Online advertising spend
€17.6m for January to August 2005
20-30% annual increase since 2003
Data supplied Autumn 2005

Belgium
Audience
52% of population online
80% of household connections are broadband
15% of users shop online
Online advertising spend
€32 m for 2004
€44 m predicted spend for 2005
2.1% share of all advertising media spend
2004 data, supplied December 2005 (Source – *CIM*)

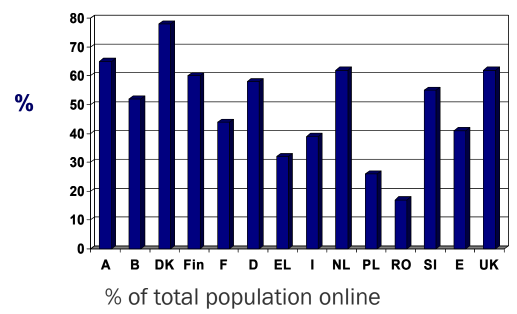
Denmark
Audience
78% of 5.5m population
Online advertising spend
€81m for 2005
€52m is display and search
€29m is job listings for 2005
Almost 6% share of all advertising media spend
Data supplied March 2006

Finland
Audience
60% of adult population (3.1m users)
90% of all connections and 66% of home connections are broadband
45% of users shop online

Online advertising spend
€36.1m for 2005 (net figure, inc classifieds, but not search or directories)
42.1% increase 2004-2005
3% share of all media spend
Data supplied January 2006, Source – *TNS Gallup Oy*

France
Audience
44% of population online (21.6m users)
75% of connections are broadband
59% of users shop online
Online advertising spend
€1.1bn 2005
74% increase on same period 2004
5.9% of all advertising media spend
Online advertising spend is at ratecard value rather than the cash transacted. Data supplied December 2005, source - *TNS Media Intelligence - Mediametrie/NetRatings – Ipsos*
'Among IAB France's great achievements in 2005, the NetImpact 3 study has showed the direct impact of online advertising when it comes to sell goods in retail stores and supermarket. This brand new measure paves the way to new commercial media potentiality and confirms the power of online advertising. We're also proud to announce a great 2005 first semester report in online ad spend, with a 70% growth compared to the same period in 2004'
Bruce Hoang, IAB France

Germany
Audience
58% of population online



Online audience
The percentage of the population who has access is one of the underlying determinants for the size of the online advertising market. As the price of broadband connections comes down, we've tracked the way the proportion of each national population that has online access has risen rapidly. This creates a massive shift in media focus and consumer media consumption throughout Europe.
Source: IAB Europe

60% of connections are broadband
58% of users shop online
55%of users bank online
14% of media time is spent online

Online advertising spend

€885m for 2005
60% increase on 2004
4.4% of all advertising media spend

Data supplied February 2006, source - *Nielsen & OVKMarkt*

Greece

Audience

32% of population is online (2.2m users)
5% of connections are broadband

Online advertising spend

€15m for 2005
25% increase on same period 2003
0.8% of all advertising media spend

Data supplied January 2006

'2005 was a difficult year for advertising as a whole in Greece, spending being influenced by post-Olympic corporate melancholy and government austerity measures. Still, even under these adverse conditions, online advertising continued its progress, both in terms of total revenues and media market share. Indeed, record advertiser attendance at IAB Greece's seminars means that, with continued hard work from our industry, online in Greece is set for strong yet sustainable growth over the coming years'
Constantine Kamaras, Vice Chairman, IAB Greece

Italy

Audience

39% of population is online (19m users)
42% of connections are broadband
16% of users shop online

Online advertising spend

€138m for 2005
18% increase on same period 2004
1.5% of all advertising media spend

Data supplied February 2006, Source *Audiweb for online audience*
Nielsen Media Research/IAB Italy Assointernet for Adspending

'2005 was a great year for online in Italy. Two very interesting things happened. It was a celebration of the first year in which online advertising has been really well understood by clients. The massive conference in Milan for 1500 delegates gave a unique focus in a market which is growing 15% year on year. Online advertising spend topped €138m in 2005, however this excludes search engine advertising, which remains difficult to calculate. Inside the IAB we have made some estimates of what we think this is worth and it looks set to be around €80m, making the Italian market worth more than €215m.'
Layla Pavone, President, IAB Italy

Netherlands

Audience

62% of population online (10m users)

Online advertising spend

€67.7m total online adspend, Jan-Sept 05
49% increase on Q3 2004-05
46% on Search
3% share of all advertising media spend

Data supplied January 2006, Source *Nielsen Media Research*

US market continues strong growth

Total internet advertising revenues for 2005 totaled $12.5 billion in the US, setting a new annual record and growing 30% year on year. Q4 2005 internet advertising revenues totaled a record $3.6 billion, representing a 34% increase over same period in 2004.

Although the US online advertising market began at around the same time as the European market, growth has generally been faster, and it is providing an outlet for national campaigns in a country that does not have the same pattern of national press dominance we are familiar with in Europe.

Part of the growth is also due to the economies of scale, which allowed many of the digital media properties to develop audience volumes comparable to traditional media brands much earlier on. Those economies have now been absorbed throughout the supply chain, with agencies and clients orientating to large scale national online campaigns.

In contrast Europe's experience reflects a patchwork of national markets, each at their own stage in the adoption of digital marketing. In some countries the market share is comparable to the US, in several countries it is ahead, but many countries are still to cross the tipping point in the expansion of their digital marketing industries. Although many commentators talk about Europe being 18 months behind the US, our view has always been that Europe's wide range of experiences in the different markets means it cannot be considered as being a single market behaving in a uniform way. Added to that is the unique mix of other media in North America, and the economy of scale among both advertisers and audiences, which helps explain why the US has evolved so differently.

Data source: IAB US & PricewaterhouseCoopers

Poland

Audience

40% of population is online (9m users)

Online advertising spend

€13.2m for January to June 2005 (€20m 2004)

60% increase on 2003

2% of all advertising media spend

Data supplied autumn 2005

Romania

Audience

17% of population online (4m internet users)

Online advertising spend

€2m for 2004

1-2% share of all media spend

Total advertising market $0.5bn US

Forecasts: 2006 online ad spend probably around €10m Data supplied Autumn 2005

Slovenia

Audience

55% of 1.6m population online, of which 40% are on broadband

Online advertising spend

€4.06m online advertising spend, making 1.4% of all advertising spend

Search accounts for 30% of all advertising spend

Europe's broadband growth fuels adspend

The faster access speeds provided through broadband connections are recognized as a key driver in the growth of online advertising. The 'always-on' potential changes the internet experience for good. Broadband viewers read more pages, spend more time online, are more likely to shop and generally use the web more widely in their lives.

'Europe is seeing higher rates of growth in the take up of broadband than the USA, Canada and Japan. By July 2005 there were 48.4m broadband users in the European Union, and this is only the beginning. Recent research revealed a 60% growth in the number of broadband subscribers between July 2004 and July 2005 within the EU.'

Information Society Benchmarking report, available from IAB Europe's Knowledge Bank

Year on year increase 40%

60% of online advertising spend goes through agencies

Data supplied December 2005

Spain

Audience

41% of adult population is online (15.1m users)

25% of connections are broadband

9% of users shop online

20% of media time is spent online

Online advertising spend

€150m for 2005 (estimate)

50% increase in first half figures between 2004 and 2005

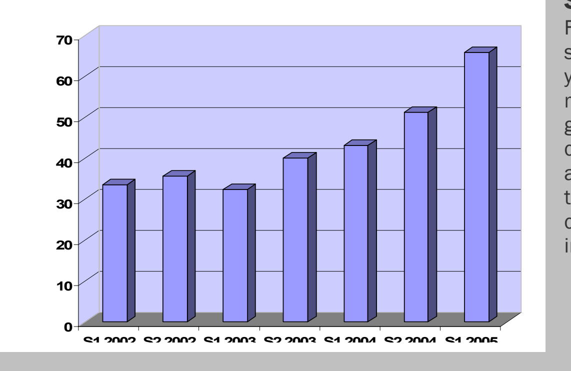
1.5% share of all media spend

31% of advertising spend is placed with search engines

Data supplied January 2006

'Search is the driving motor in our market – it accounts for 31.5% of Spain's online advertising. The proportion of online advertising spent on it has increased 195% in the last year and we saw actual investment in search triple during this period. The other key to the increased investment is the growing role of the traditional advertisers; they represent 55% of total ad spend, an increase of 61% on last year's figures.'

Antonio Traugott, Director General, IAB Spain



Strong Spanish growth

Fuelled by the rapid expansion of search engine advertising, these half-yearly spend figures from the Spanish market reveal consistent strong growth. Marketers in Spain who control the budgets of traditional advertising channels have warmed to the power of the internet and consistently expanded their investment.

Source: IAB Spain

United Kingdom

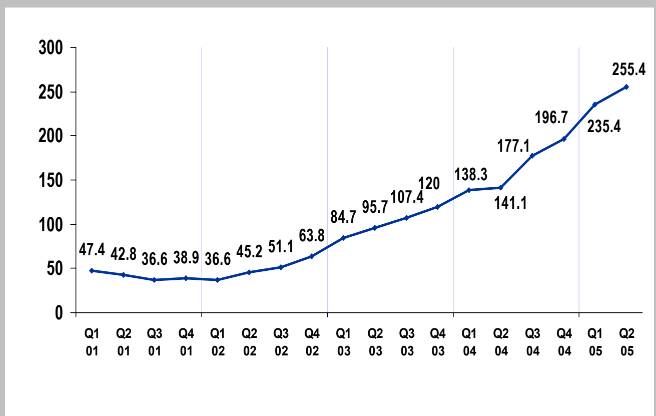
Audience

62% of the population is online (29.3m users)
71% of home connections are broadband
18m shop online

Online advertising spend

€1,939m (£1366.4m) in January to June 2005
65.6% increase from same period in 2004
7.8% of all media spend for 2005 (8.4% for H2 2005)
56% of advertising spend is placed with search engines
Data supplied March 2006, sources *NOP & PricewaterhouseCoopers*

‘The 2005 results surpassed our expectations. At the end of 2004 the IAB predicted online would overtake outdoor by mid 2006 and research from the first half year confirms we’ve beaten this target. Now the internet looks certain to be a £1 billion medium in 2005. Broadband is experiencing record take up this year, which has fuelled internet consumption, and in turn attracted a greater share of advertisers’ spend. Marketers are recognising the internet’s full potential and are actively diverting budgets into online advertising.’
Guy Phillipson, Chief Executive, IAB UK



UK online adspend

The UK market accounts for 42% of all online advertising spend in Europe. By the end of 2005 quarterly online advertising spend had increased five fold since its peak in the dot com boom in 2001. Growth continues to be strong, rising more than 605 every year.

Source: PricewaterhouseCoopers / Internet Advertising Bureau UK / WARC

Summary of viewpoints

‘Search marketing is changing the advertising world because it offers a "pull" communication and because its price is based on performance. Search is everywhere: not only does a "search" feature appear in every online application, but it is already available on every software and digital device. This means that search marketing has become a highly strategic part of online advertising and of communication in general.’
Ad Maiora - Mario Lupi, President.

‘It’s no longer a question of whether to invest; it’s now a matter of how much. Marketers have realised there is no escaping the enormous impact that Digital is having. The key now is to work out how to fit this new opportunity into the rest of the marketing mix.’
AKQA - Michael de Kare-Silver, Managing Director, Europe.

‘The world of media is changing and agencies across Europe need to be braver in crafting a new mix of media that really explores the rich variety of digital tools available and the vast European audiences you can reach with them’
Isobar Communications - Nigel Morris, President Worldwide.

‘We have clearly entered and in many cases passed the tipping point when it comes to interactive. As a result our clients have recognized that "new media" agencies need to be firmly seated at the top marketing table to ensure budgets and initiatives are seriously considering and using online within the overall marketing mix’
Modem Media - Norm Johnston, Managing Director, Europe.

‘The growth across local European markets has been incredible. Amazingly however, there are still some pan European advertisers who are only just waking up to the power of online in engaging with their consumers which means that the market will only continue to grow.’
Profero - Daniele Fiandaca, COO.

‘We expect in 2006 to see search becoming much more integrated with other advertising media, not only across the online platform, but also with offline campaigns. Clients are beginning to see the benefits of incorporating search into campaign planning instead of treating it as a stand-alone medium’
The Search Works - Nick Hynes, CEO.

‘Across Europe brands are discovering the creative potential of web advertising. The interactive technologies and the video formats give creative directors the chance to build communications with a brand impact that beats television or cinema. 2006 is the year of online advertising creative for IABs. It's time to celebrate what the industry can deliver!’
Weboptimiser - David White, CEO.

‘2005 saw search marketing go from strength to strength and 2006 promises to follow the trend. It will be a great year for new products in Europe - we'll see advances in Local and Mobile Search in particular and a continued focus on maximising relevancy through enhanced matching technologies.’
Yahoo! Search and Yahoo! Search Marketing - Stephen Taylor, RVP and MD, Europe.

Summary

Strong growth; a patchwork of markets

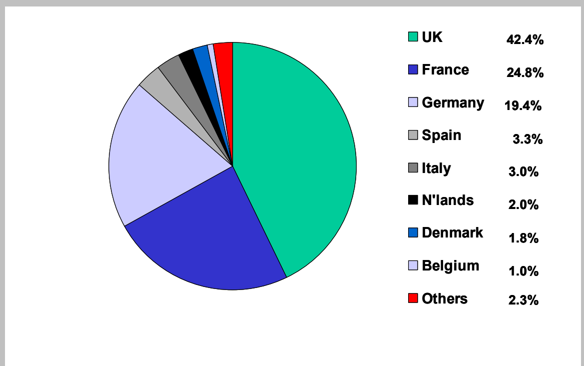
Europe's markets are all growing rapidly, and are generally following along a similar path in the widespread adoption of interactive advertising by marketers. Each country is at a different stage in that journey. However, each market also has its own unique experience of how online is being incorporated into the media mix, and which client sectors are championing its use.

A €4.5bn market? Probably more

The research collated here suggests Europe's marketers spent around €4.6bn in online advertising during 2005. It's worth remembering that data were not available for a few countries, and that many of the 2005 forecasts were simple cautious doublings of the first half year reported figures. This means Digital Europe should only be used to give a general picture of the landscape. On balance the total market size is likely to be significantly greater than the €4.6bn.

Data comparisons

The methodologies used to collect the data vary significantly between countries; some report net rather than gross, some exclude certain ad formats. The continued rapid growth in search marketing (doubling annually in several countries) presents a particular challenge as figures are often not available. With search accounting for 40% of total spend in many countries, understatements of revenue within this format could significantly understand total market size.



Europe's online advertising pie

By extrapolating the available figures to create a conservative estimate of each market's full year spend for 2005, it's clear that the three top tier markets continue to dominate.

The UK remains the largest market, but with the French market data based on ratecard, direct national comparisons are difficult.

Source: National market estimates and actuals for 2005 supplied by industry trade associations

Actions

If you control an advertising budget, reflect on how your business uses online, and the role it plays in your media mix. While several countries may be reporting 5% of all media spend going into online, this is simply a crude average across the whole economy. In every European country, most firms are yet to start using online, yet those experienced in digital may already be investing 20% or more of their marketing.

Ask your national IAB for case studies and more details on the advertising spend and online audience data collated in this edition of Digital Europe. More detailed reports are available from many IABs.

To supply data for the next edition of Digital Europe, contact IAB Europe

To receive regular news and information about a specific European market, join the appropriate national IAB.

To receive regular news and information about developments in pan-European online advertising, contact IAB Europe directly.

Additional reports and market analysis presentations are available in many countries from national IABs.

Resources & Links

IABeurope.ws – for access to the network of European IABs

IAB Europe's 'Informer' newswire service

National IABs across Europe – Follow the links from IABeurope.ws

IAB Europe's taskforce for interactive advertising expenditure research

DigitalStrategyConsulting.com for further insight reports about marketing and commerce in the digital networked economy

About the Interactive Advertising Bureau Europe (IAB Europe)

IAB Europe is a federation of national IAB associations and think-tanks set up from 1997 onwards to help marketers get the most from the new digital channels.
IAB Europe develops the industry's standards as part of a worldwide IAB programme to give online media strong foundations. It coordinates research with some of the world's leading analysts and support national IAB's in Europe, the Middle East and Africa with marketing and educational materials. It forms the primary liaison channel with European government, lobbying to defend the freedom to advertise and market online, and its network of task forces and think-tanks tackle the critical issues that are holding the industry back from even faster growth, shaping policy and best-practice across the continent.
Supported by all the leading media groups, agencies, portals, technologists and service providers, the IAB's European network embraces more than two thousand companies. There are sister IAB organizations in North and South America, Asia and the Far East, collectively providing a global network of dialogue in the world's first global media channel. The IAB's core mission is to help firms discover the potential online marketing has to enhance their business. Advertisers who would like to know more should ask us about their in-company roadshows or conferences. Log on to www.IABEurope.ws to find your national IAB.

About the author

Danny Meadows-Klue has been a commentator on digital networked marketing since 1995. He managed the UK's first online newspaper and has helped run web businesses ranging from mass market portals and consumer magazines, to online stores, search and email services. Among his industry roles he is the co-founder and former chairman of the UK and European Internet and Interactive Advertising Bureau, and has been lecturing on digital marketing for more than a decade. He helped set up 10 IAB organizations around the world and created Digital Strategy Consulting in 2000 to help more firms accelerate by harnessing the tools of the digital networked economy.

About the Digital Insight Report series

In times of huge economic and technical change, knowledge becomes a critical success factor. We created the Digital Insight Reports to bring you insights from a particular part of this fast changing industry. They are independent perspectives on key issues in doing business or marketing in the digital networked economy, and are published monthly.

More research: Digital Intelligence

Keeping on top of the latest research and trends is still a challenge for many, but Digital Intelligence can help you. To keep our Digital Training Academy classes up to date we trawl through hundreds of websites, magazines and research newswires every month and distil some of the key points into this review of the industry's growth and the evolution of marketing.

DIGITAL STRATEGY CONSULTING
Making sense of a digital world

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