

Significant Drop In Financial Services Ad Spending

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Drives Six Percent Overall Decline In Image-Based Online Advertising, According To Nielsen Online

Entertainment, Automotive and Consumer Goods Advertising Show Healthy Growth

Nielsen Online, a service of the Nielsen Company, today reported that a 27 percent decline in image-based online ad spending by Financial Services companies drove a six percent year-over-year decrease in overall image-based online advertising in the first half of 2008; the number of image-based impressions decreased by nine percent during the same period.

The Financial Services industry “consistently among the top online advertiser segments” showed estimated spending of \$1.1 billion during the first two quarters compared to \$1.5 billion during the same period in 2007. Although historically a smaller advertising segment, the Public Services industry also contributed to the decrease, declining by 38 percent. A number of industries showed strong growth in online advertising, including the Entertainment industry, with spending increasing 47 percent year-over-year; the Automotive industry, with 45 percent growth; and Consumer Goods advertisers, up 32 percent compared to the same period in 2007. Spending on rich media advertising increased by 60 percent in the first half of 2008, indicating a growing adoption of these technologies in online advertising campaigns.

When including paid search figures as publicly reported by the major search providers, along with the projected growth of online video advertising, Nielsen estimated that overall online ad spending increased approximately 11 percent during the first half of 2008.

“The early 2008 decline in image-based online ad spend reflects the macro movements in the overall economy, particularly within the financial services industry,” said Jon Gibs, vice president, media analytics, Nielsen Online. “The good news is that we saw large gains from brand advertisers including Anheuser-Busch, Unilever, Toyota and General Motors, among others, which bodes well for the future. Companies are recognizing the Web’s potential to play a leading role in their broader branding efforts. Moreover, when we consider published growth figures for online video and paid search advertising, we believe overall online ad spending was up in the low double-digit range. The shift we’re seeing from display ads to rich media and text formats opens up even more creative possibilities for advertisers and should drive continued growth in the online advertising sector.”