

Emerging Markets Drive Worldwide Total Ad Spend

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Online ad spend growth worldwide will reach 21.3% this year, slightly above last year's figure

China is not just the largest country in the world by population, but also an ad spending juggernaut that is helping Asia-Pacific achieve milestone after milestone in both total media and online ad spending.

Next year, eMarketer predicts, ad spending in China will reach nearly \$53 billion, surpassing total spending in Japan for the first time, to make China the No. 2 country in the world in terms of ad spending. The US will remain far ahead, with more than three times as many ad dollars, but rising spending in China will narrow that gap in coming years.

Worldwide, total media ad spending growth will reach 7.4% this year, bumped up slightly due to the Olympics, with growth slowing next year to 6.4%. Latin America and Asia-Pacific will be the fastest-growing regions throughout the forecast period, with spending rising at about double the worldwide rate. Eastern Europe will also see higher-than-average growth.

China is also quickly growing the online portion of its ad spending, which is set to reach \$7.36 billion this year. Rapid growth in China will help push Asia-Pacific past Western Europe to become the No. 2 region in the world for online ad spending in 2013.

In 2014, this growth will make China the second-largest online ad market in the world, as it surpasses the UK and Japan, and remains behind only the US.

Overall, online ad spending worldwide will grow 21.3% this year, slightly faster than last year's rate of 21.1%, with growth slowing to 10.4% by 2016. The Middle East and Africa, as a combined region, has the highest regional growth rate throughout the forecast period, but from an extremely small base—spending will not reach \$3 billion by 2016.

Latin America, Eastern Europe and Asia-Pacific will post above-average growth through 2016, while growth in North America and Western Europe will remain robust but more moderate.

eMarketer's estimates of total media and online ad spending worldwide are based on the analysis of various elements related to the ad spending market, including macro-level economic conditions, historical trends of the advertising market, estimates from other research firms, and consumer internet usage trends.

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