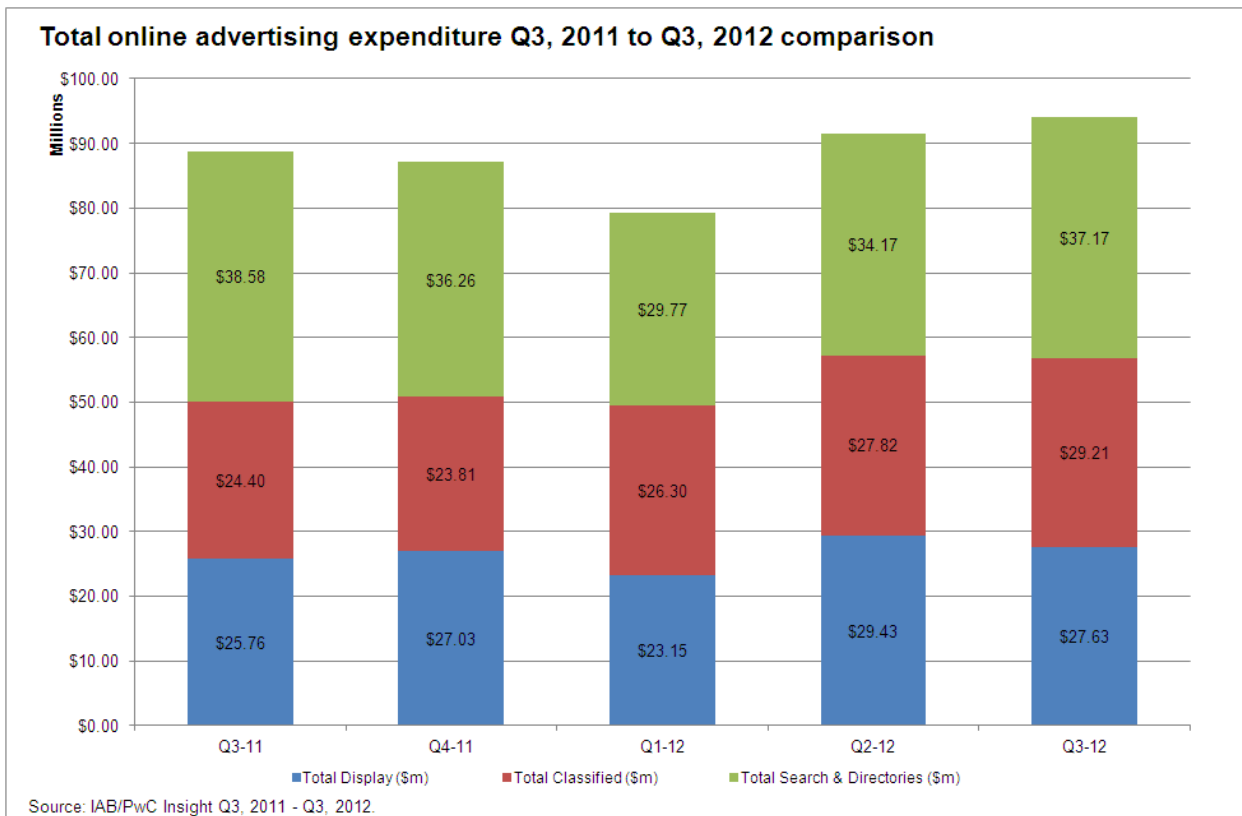


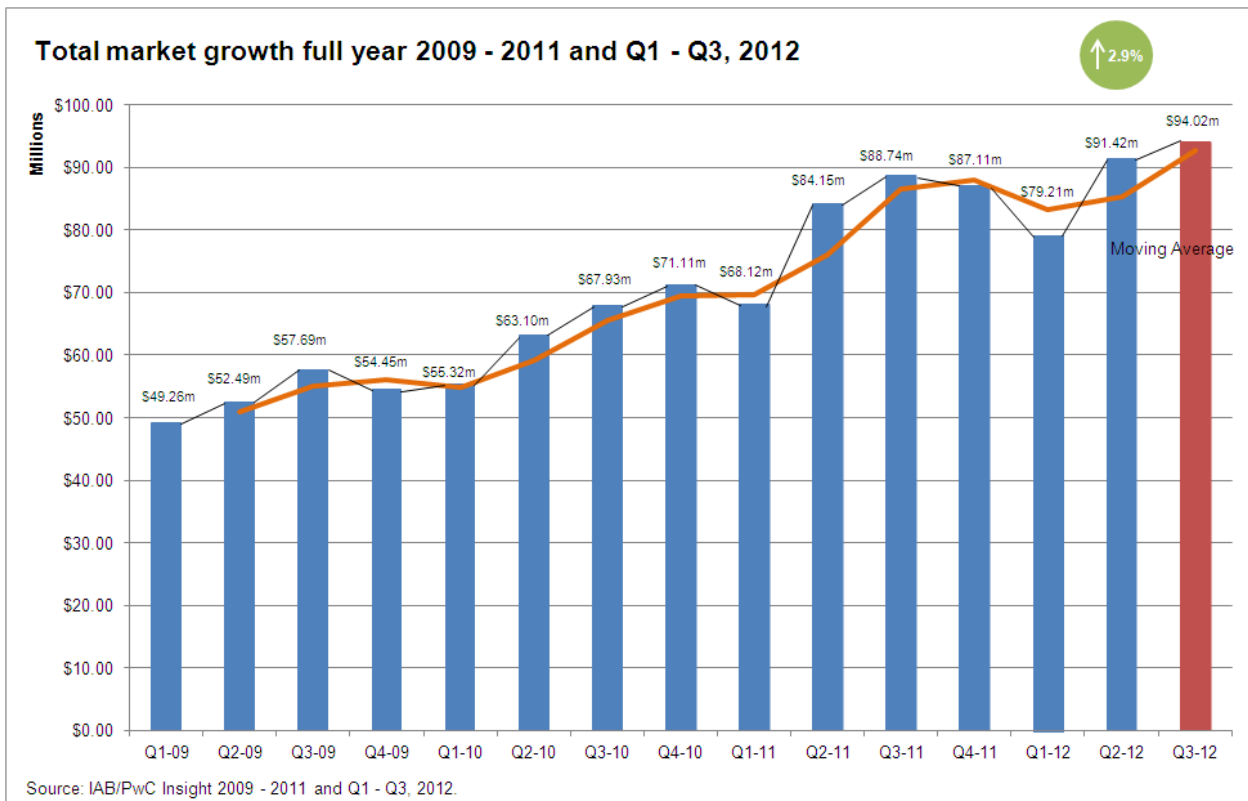
## Total Interactive Advertising Market Experiences Positive Growth Year-on-Year and Quarter on Quarter

Tuesday, 13 November 2012

Total interactive advertising spend in Q3, 2012 was **\$94.02m**, an increase of 3% from the last quarter and an increase year-on-year of 5%.



*“A recent article by the Australian Financial Review stated 'Flat is the new normal' for ad spend however, interactive advertising continues to show its resilience with growth coming from direct response channels such as Search & Directories, and high engagement platforms like online video.”* **Alisa Higgins, General Manager, IAB New Zealand**



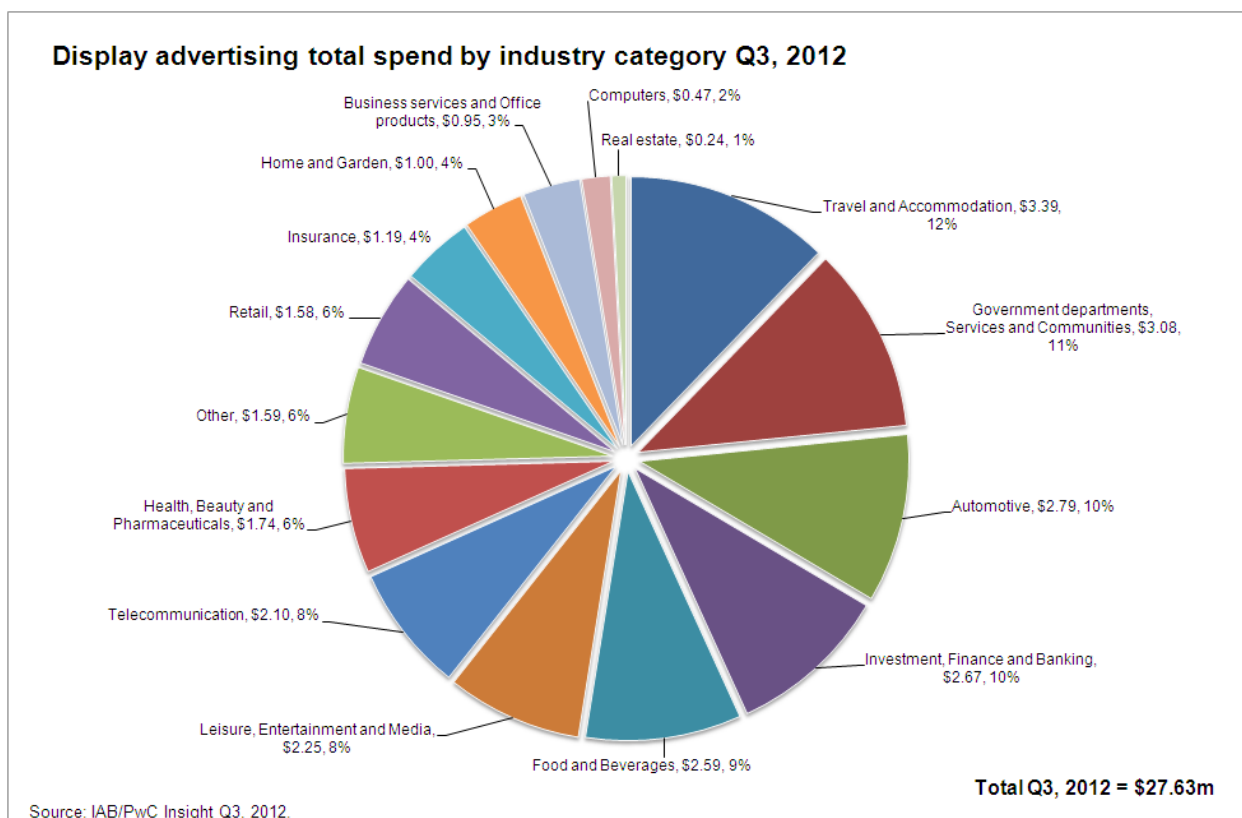
*“The third quarter advertising spend result proves online is continuing to grow despite adverse market conditions. Advertising spend across online channels in Q3 was our largest ever, at \$94 million across display, classifieds, search and directories. There was a marked hesitance to predict growth on the back of Q3 2011, with the Rugby World Cup having such a positive and unique impact. But we’ve delivered a solid 4.76% growth year-on-year, which is good news for publishers.*

*It shows advertisers have the confidence in online, that they know they can reach their audiences and at scale. With sophisticated consumers and a purchase cycle that is no longer linear, marketers who understand the strengths and capabilities of the different online channels alone and in combination, will deliver results that knock it out of the ball park!”* **Laura Maxwell-Hansen, IABNZ Chair and general manager, Yahoo! New Zealand.**

There have been some interesting shifts within the Display categories with Automotive slipping into the top three industry sectors knocking Investment, Finance and Banking into fourth place:

1. Travel and Accommodation (12%);
2. Government departments, Services and Communities (11%);
3. Automotive (10%) and;
4. Investment, Finance and Banking (10%).

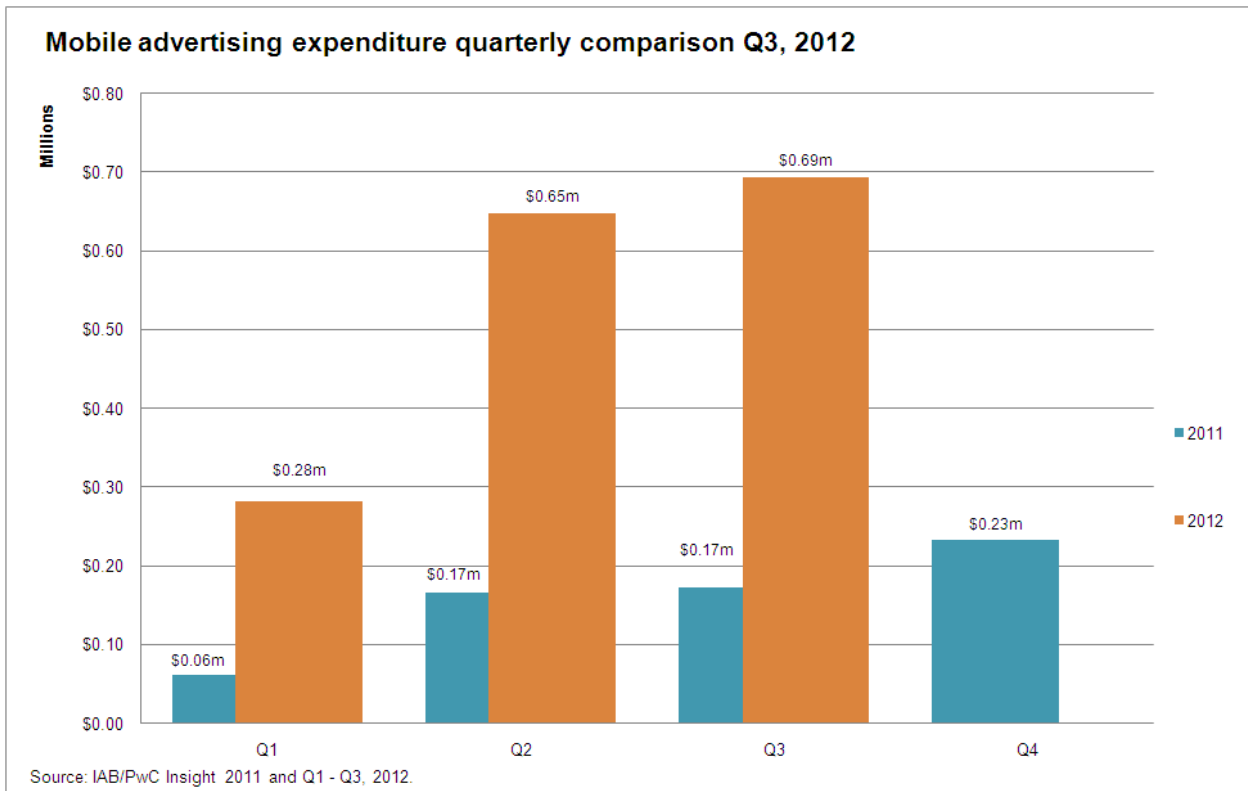
This group represented 43% of all Display spend.



Year-on-year online video advertising spend increased 23% however email expenditure dropped 19%.

*“Despite a marginal decrease in video advertising revenue from Q2, 2012 the strong year-on-year growth of 22.98% follows a global trend with similar results seen in the US, UK, and Australia. With growing audiences and the increased consumption of online video content, this trend is expected to continue as advertisers follow consumers. Additionally, advertisers are taking the opportunity to elicit audience interaction with more video advertising creativity being tailored for the online viewing experience.”* **John-Paul Randall, Digital Media Sales Manager, TVNZ and IABNZ Vice-Chair.**

As expected Mobile advertising spend was up 157% year-on-year.



*“Total online advertising spend to date for 2012 is \$265m, which represents 81% of the overall 2011 spend totalling \$328m, and remarkably surpasses the total 2010 spend of \$257m. Online advertising continues to grow and shows no sign of stopping. Classified advertising continues its double-digit year-on-year growth for 5 consecutive quarters. The drop in Display in Q3 could be attributed to a few factors, such as the holding back of spend in preparation for the Christmas season. However, the spend in Q4 will surely demonstrate the expected growth in the industry.*

*New players and the changing dynamics of the market provides ongoing opportunity for growth. The increasing popularity of smartphones and tablets is providing advertisers’ with greater opportunities to reach out to consumers. The use of social media and mobile platforms to communicate and engage with consumers is a key driver of growth in the online advertising market.”* **Chris Perree, Partner, PwC.**

ENDS >>

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About IAB New Zealand: The Interactive Advertising Bureau of New Zealand (IABNZ – [www.iab.org.nz](http://www.iab.org.nz)) is the not-for-profit trade association for online and mobile advertising. It promotes growth and best practice for advertisers, agencies and media owners. IABNZ is part of an international group of IAB organisations around the world, providing access to global resources.

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