



Global Ad Trends

The Investment Gap [SAMPLE]

In this Report

The purpose of this report is to assist clients in identifying the discrepancies between daily media consumption and advertiser spend, in order to better recognise opportunities for optimisation.

To achieve this, WARC Data has analysed quarterly adspend data from key markets – available as part of the all-new [WARC Data Premium](#) – and has compared this to daily media consumption data from [GWI](#) across a range of consumer demographics.

The indices offer clients a guide but are not definitive; this is especially true when assessing specific consumer demographics. Reasons for under- and over-investment will vary, too; for example, due to the perceived effectiveness of each medium.

Contents

In this Report	2
Key Takeaways	3
Chapter 1: The Investment Gap	5
Chapter 2: The Local Picture	12
Australia	13
China	14
Germany	15
India	16
Italy	17
Japan	18
Russia	19
United Kingdom	20
United States	21
Chapter 3: Demographic Assumptions	22
Chapter 4: Latest Market Intel	31

Takeaways

1. Spend on TV and social media is highly inflated in relation to daily consumption, while audio formats appear to be heavily undervalued by advertisers.
2. Social media now attracts more investment than linear TV. Spend would need to reduce by \$94.3bn in order to mirror consumption levels next year.
3. Consumers spend a fifth of the media day in social feeds, and are forecast to spend twice as long with social media than with online press next year.
4. Podcasts are potentially undervalued by as much as \$40bn and present one of the biggest opportunities, particularly among those aged 16–24 and lower earners.
5. TV adspend is two times higher than consumption, equating to an absolute discrepancy of \$86.9bn. This likely speaks to the enduring power of the medium – its vast reach combined with attentive audiences and the heightened impact of audiovisual creative.
6. Print press investment has reached parity with daily consumption on a global level, but advertisers would need to spend \$45.3bn more on online press to mirror these levels. Business models in the sector are diversifying, and 76% of publishers are prioritising subscriptions this year.
7. China records the largest discrepancy between social spend and consumption, while Australia sees the lowest. The US TV gap is markedly lower than the global rate.



Methodology

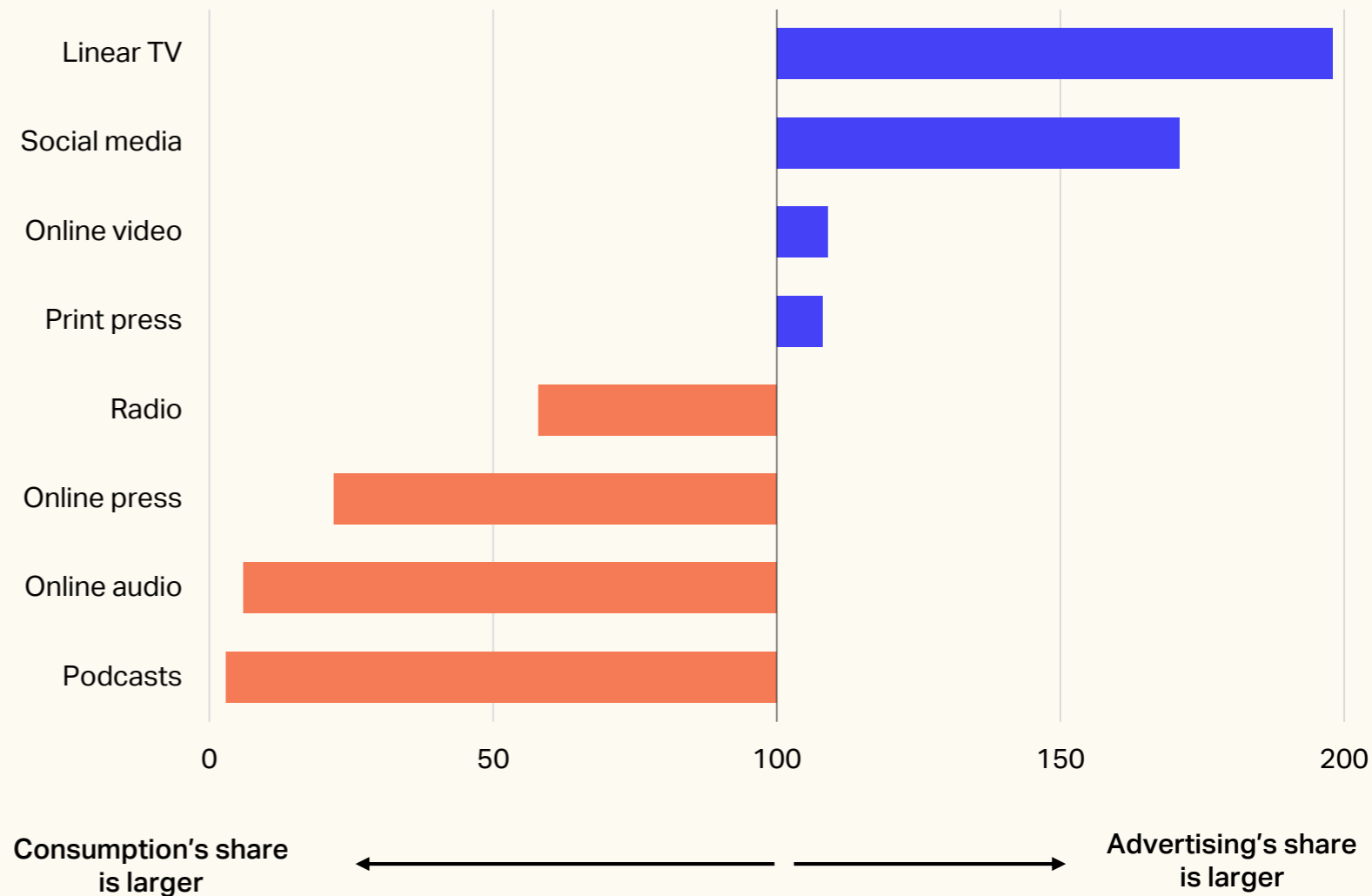
1. Indexing is **used to compare two values**, in this case the % share of advertising and the % share of consumption.

2. A **number above 100** indicates that the medium's share of advertising spend is larger than its share of consumption.

3. A **number below 100** indicates that the medium's share of advertising spend is smaller than its share of consumption.

Global, The Investment Gap, 2021(f)

Index for advertising/consumption gap



Chapter 1

The Investment Gap



Spend on TV and social media is highly inflated

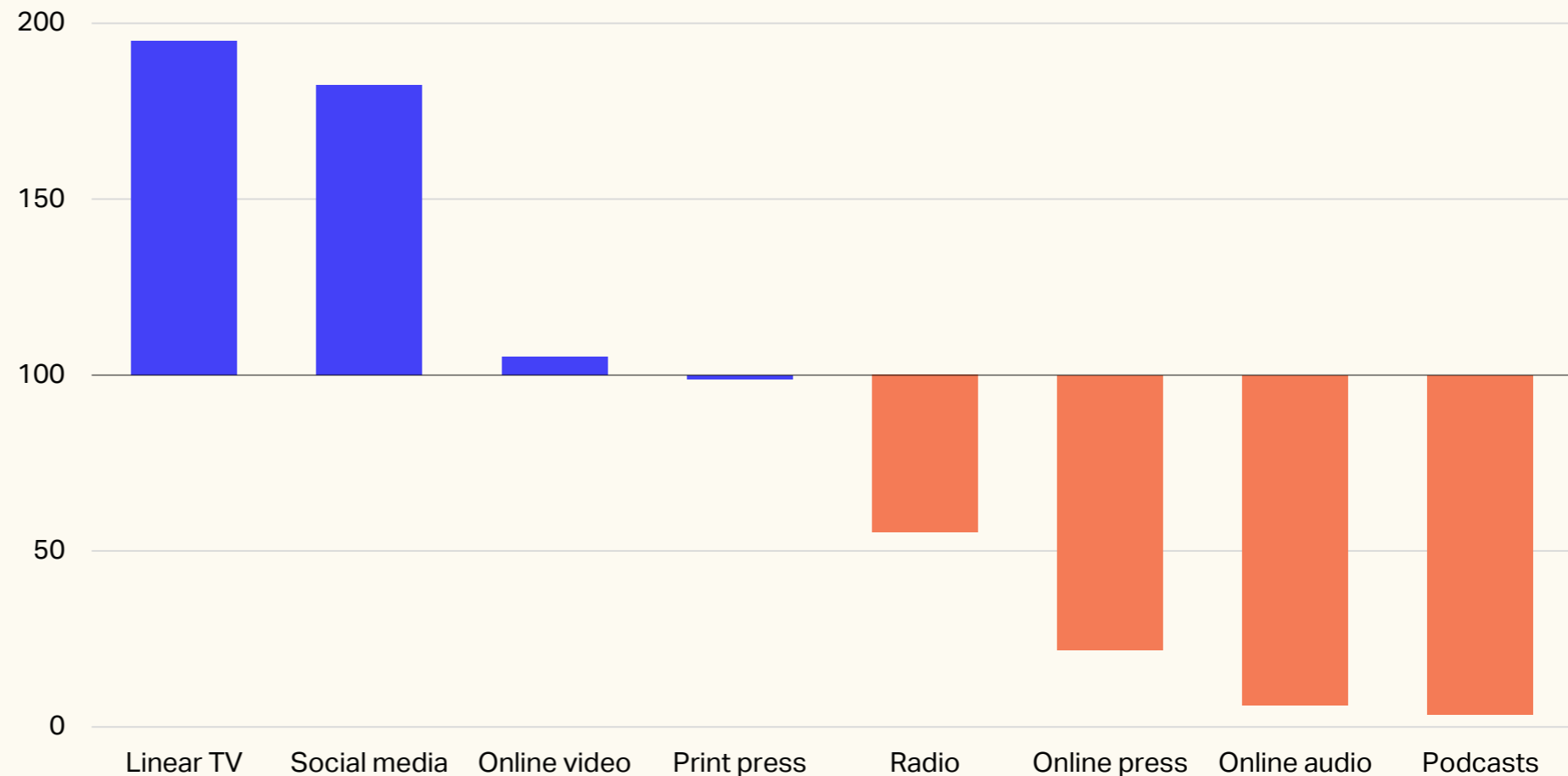
This is according to our latest advertising spend forecasts for 100 markets, and daily media consumption data drawn from a survey of 715,000 consumers.

Conversely, audio formats appear highly undervalued – a trend that was recently [highlighted by WARC](#) in the US.

Online press also appears to be an area of under investment in relation to readership, while print press is approaching parity. This is also true of online video where the world’s largest OTT platform, Netflix, is predominantly ad free.

Global, The Investment Gap, 2022(f)

Index for advertising/consumption gap



Note: a number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

Print's loss is social's gain

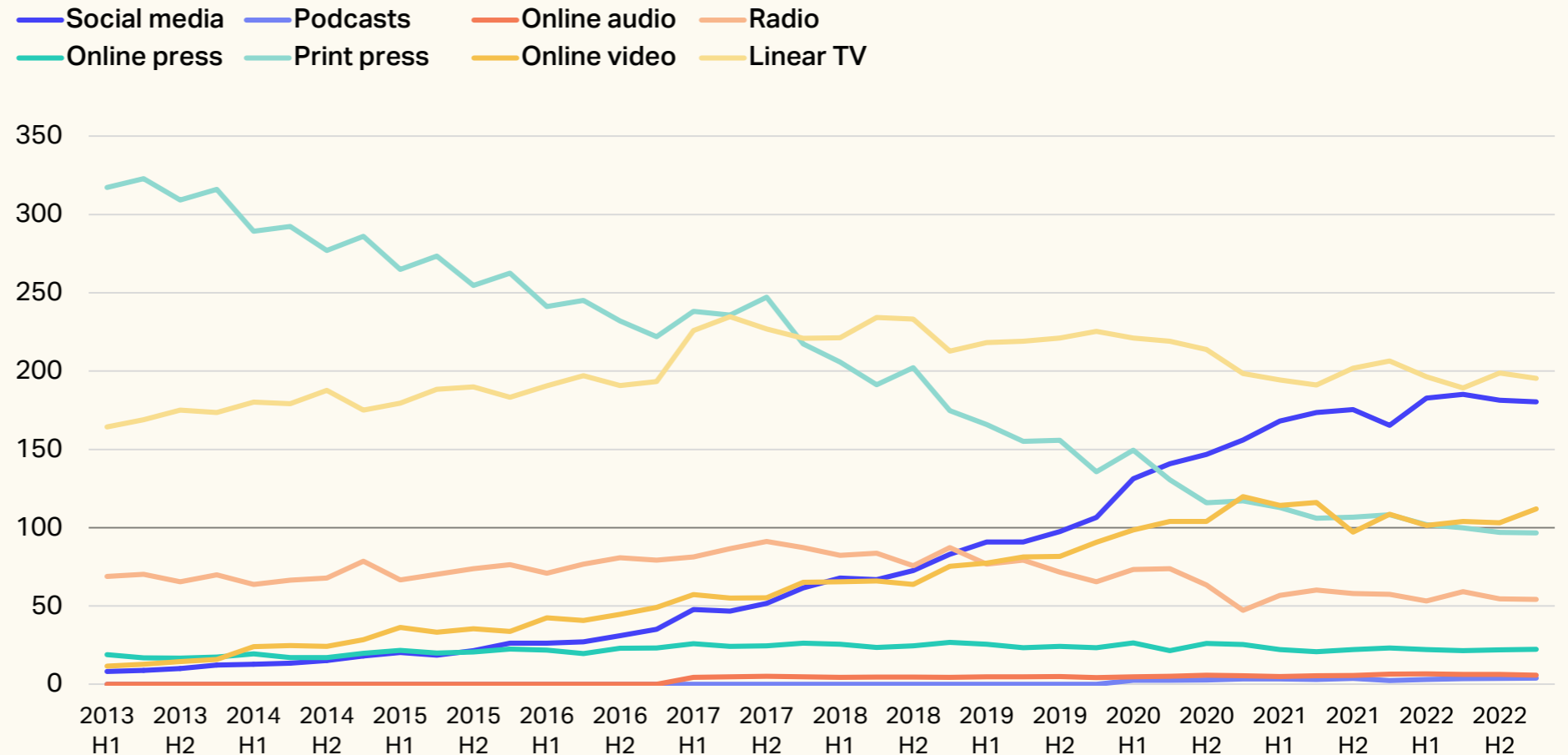
Data suggest that, relative to consumption, print media have historically seen vast over investment. Current forecasts suggest this gap is on course to reach parity, while online press is set to remain heavily under valued by advertisers.

Conversely, social media has seen one of the largest shifts from under to over investment in relation to its consumption.

Linear TV appears to be an expensive bet – also observed by Kantar – though advertisers seem to have now struck the right balance with online video.

Global, The Investment Gap, Q1 2013–Q4 2022(f)

Index for advertising/consumption gap



Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

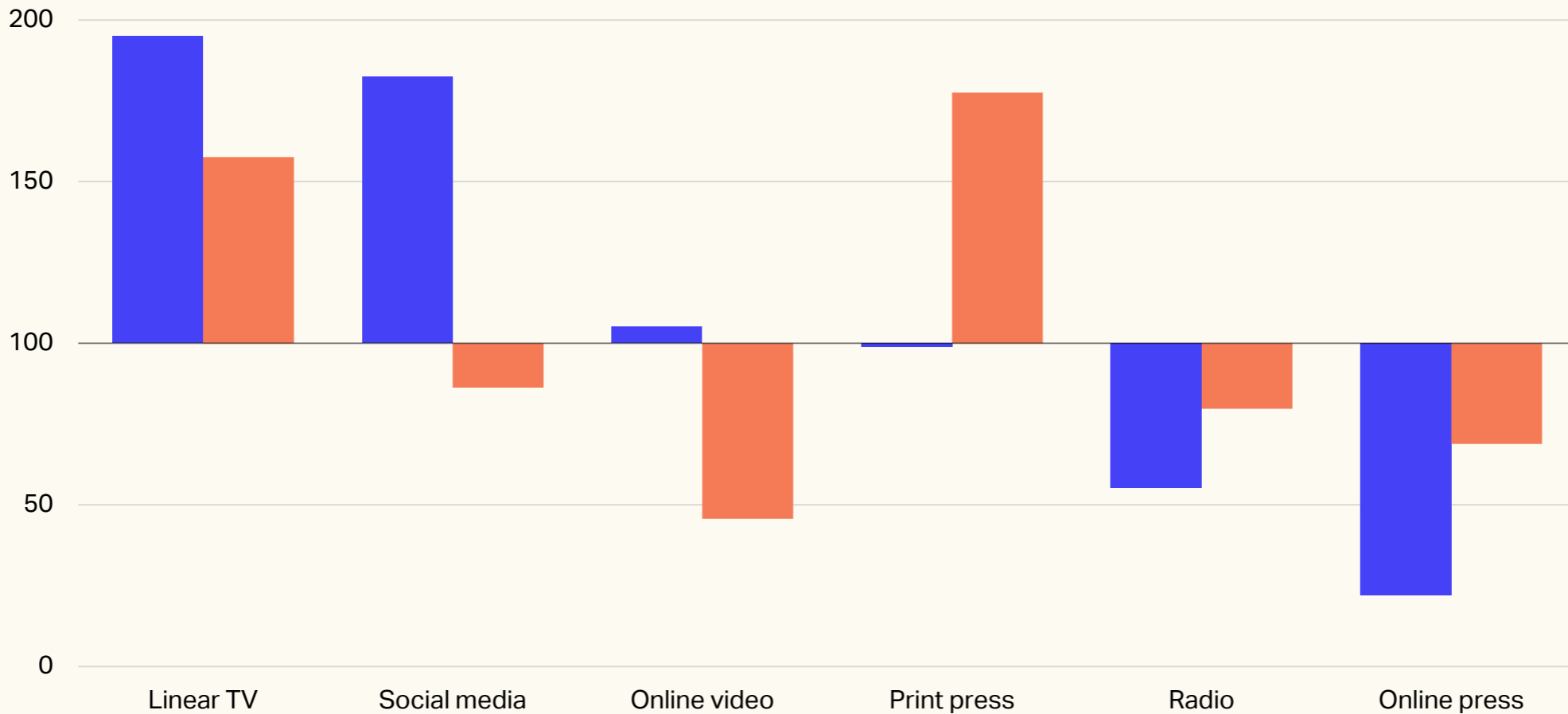
Chapter 2

Markets



Australia, The Investment Gap, 2022(f)

■ Global ■ Australia

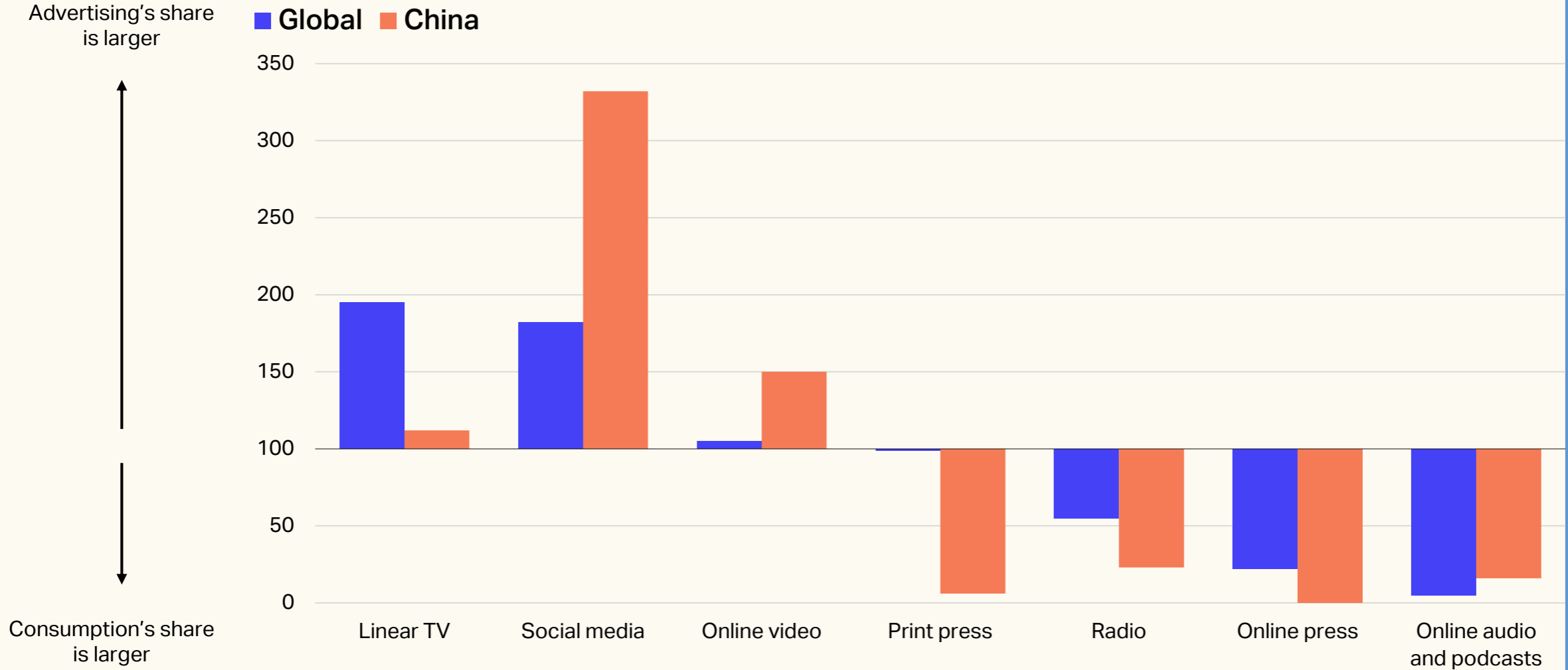


Advertising's share is larger

Consumption's share is larger

Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

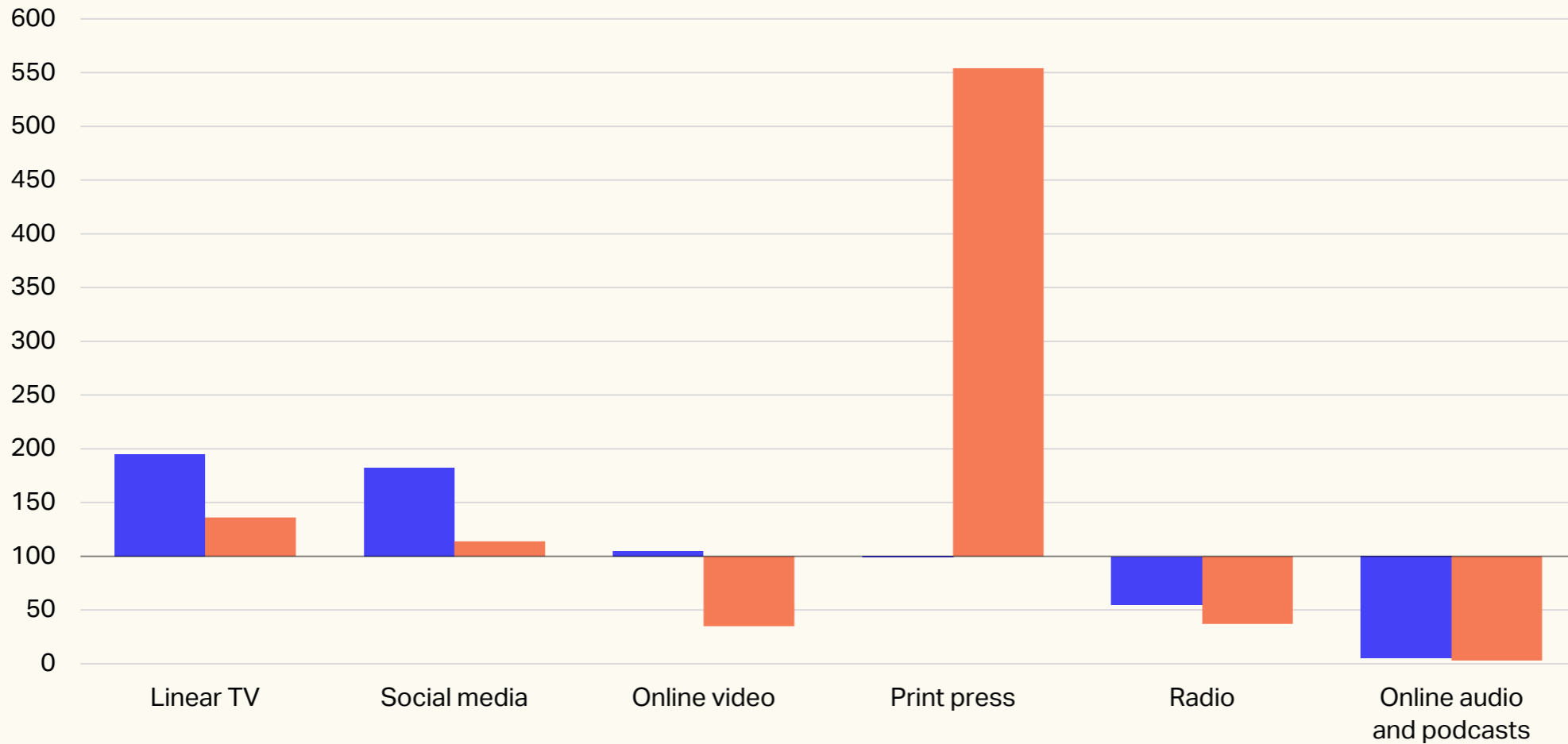
China, The Investment Gap, 2022(f)



Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

Germany, The Investment Gap, 2022(f)

■ Global ■ Germany

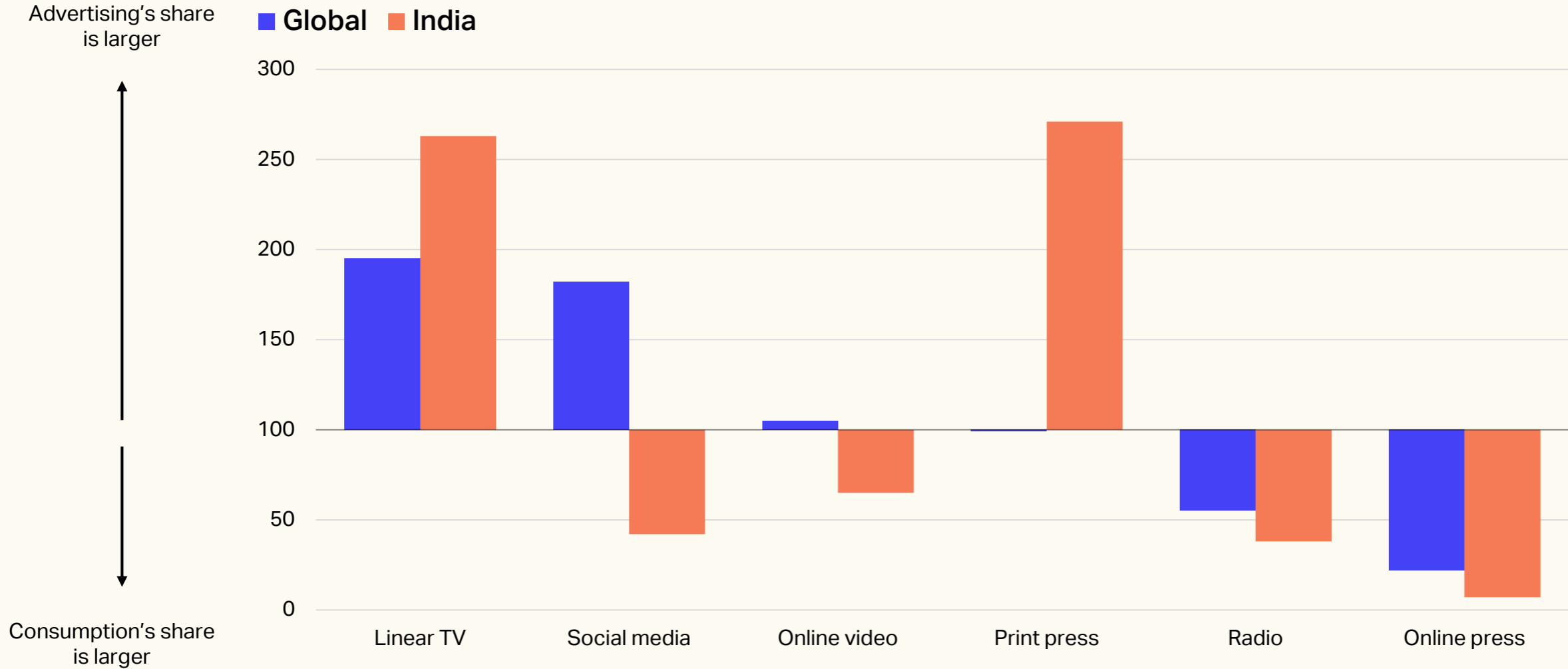


Advertising's share is larger

Consumption's share is larger

Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

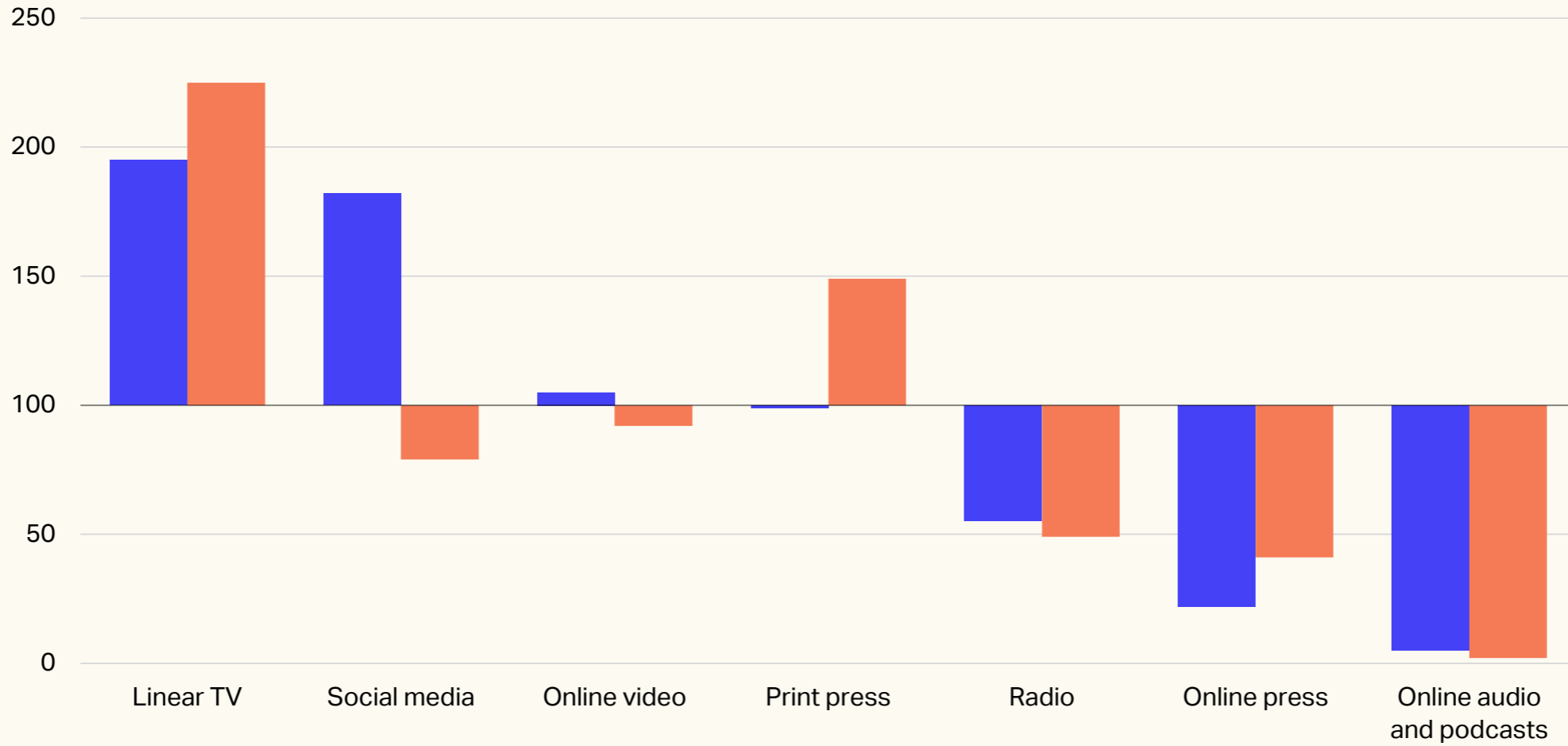
India, The Investment Gap, 2022(f)



Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

Italy, The Investment Gap, 2022(f)

■ Global ■ Italy



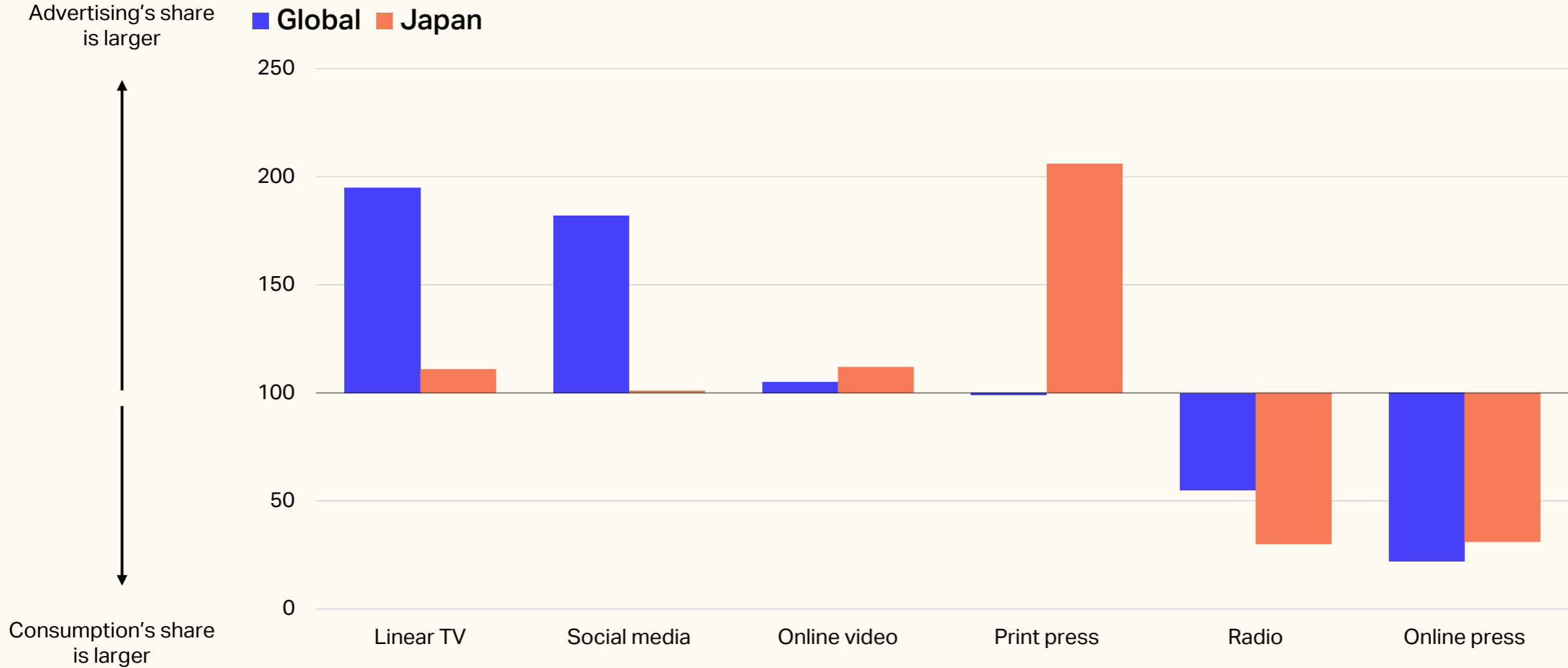
Advertising's share is larger



Consumption's share is larger

Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

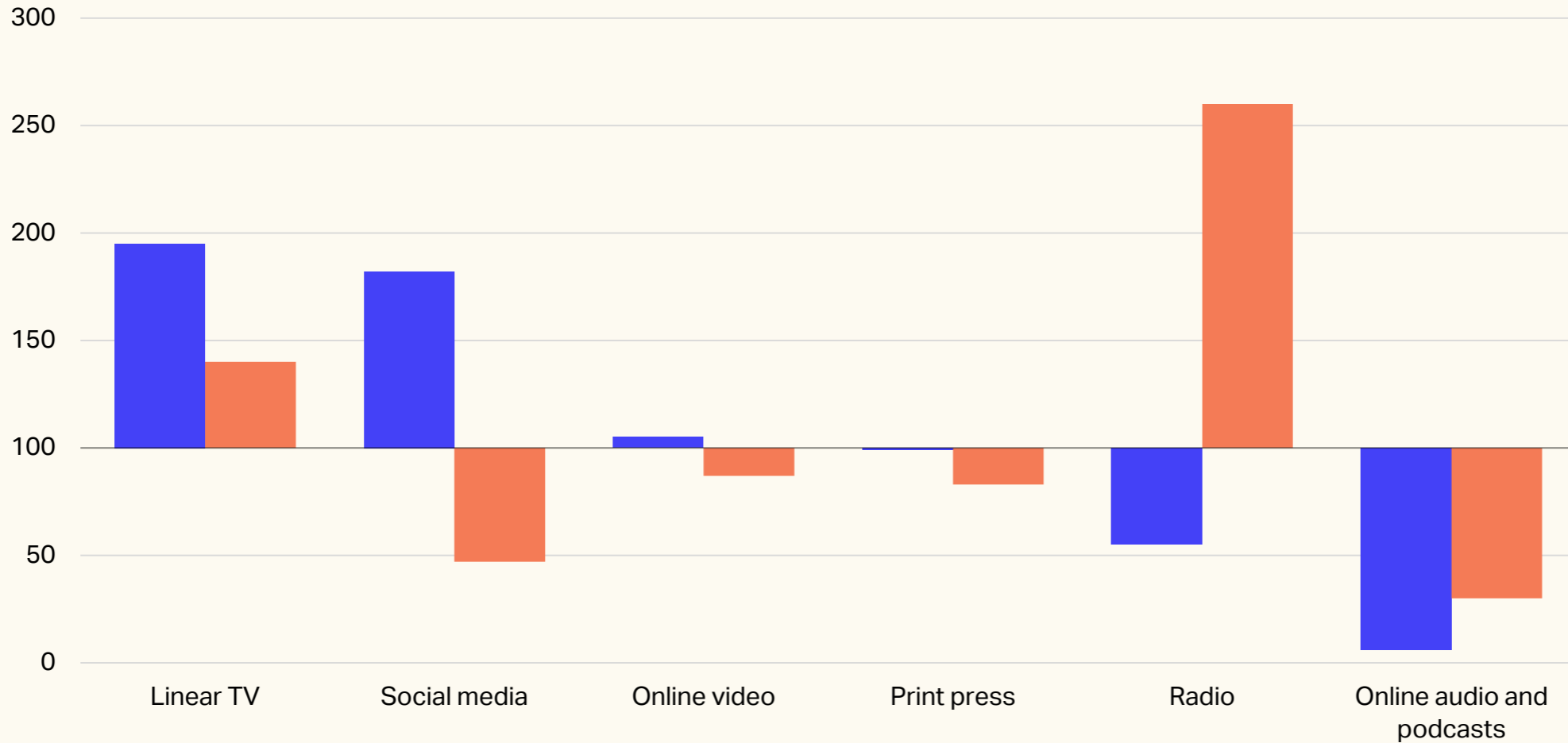
Japan, The Investment Gap, 2022(f)



Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

Russia, The Investment Gap, 2022(f)

■ Global ■ Russia

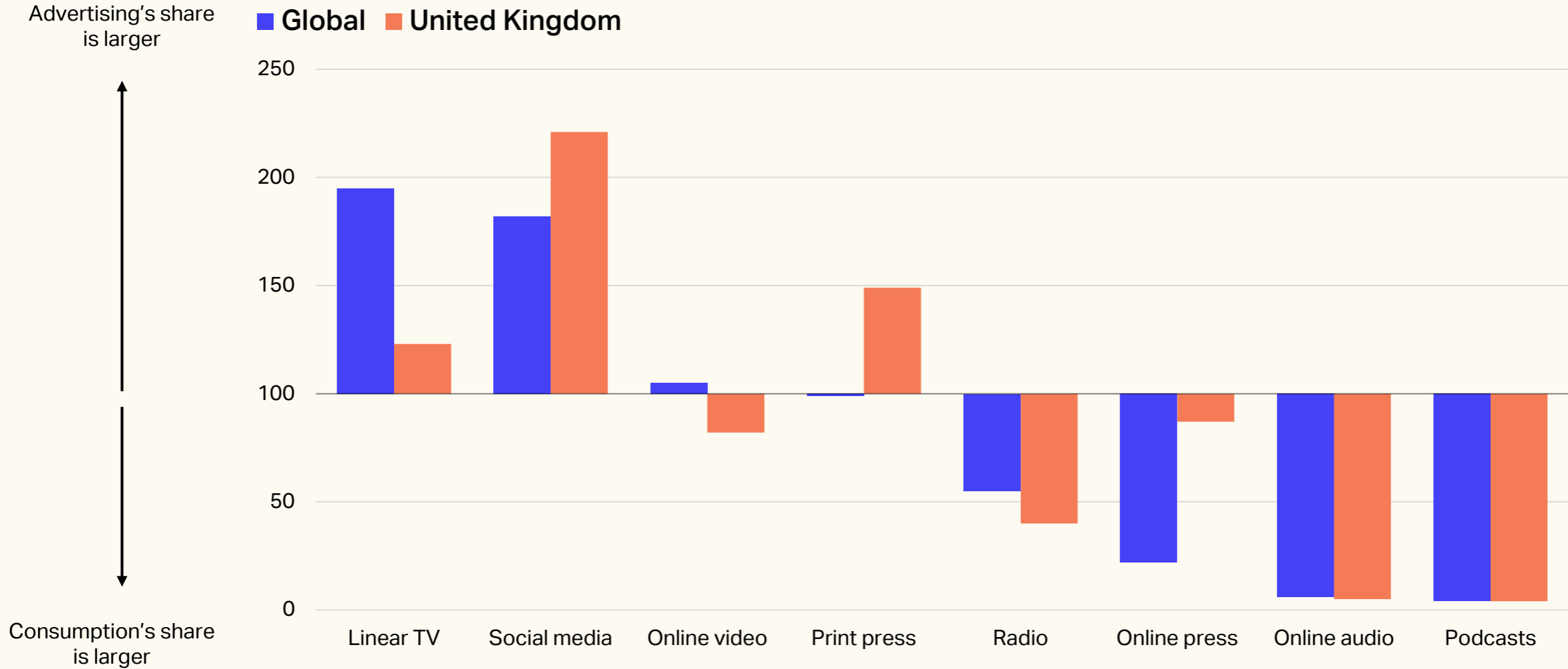


Advertising's share is larger

Consumption's share is larger

Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

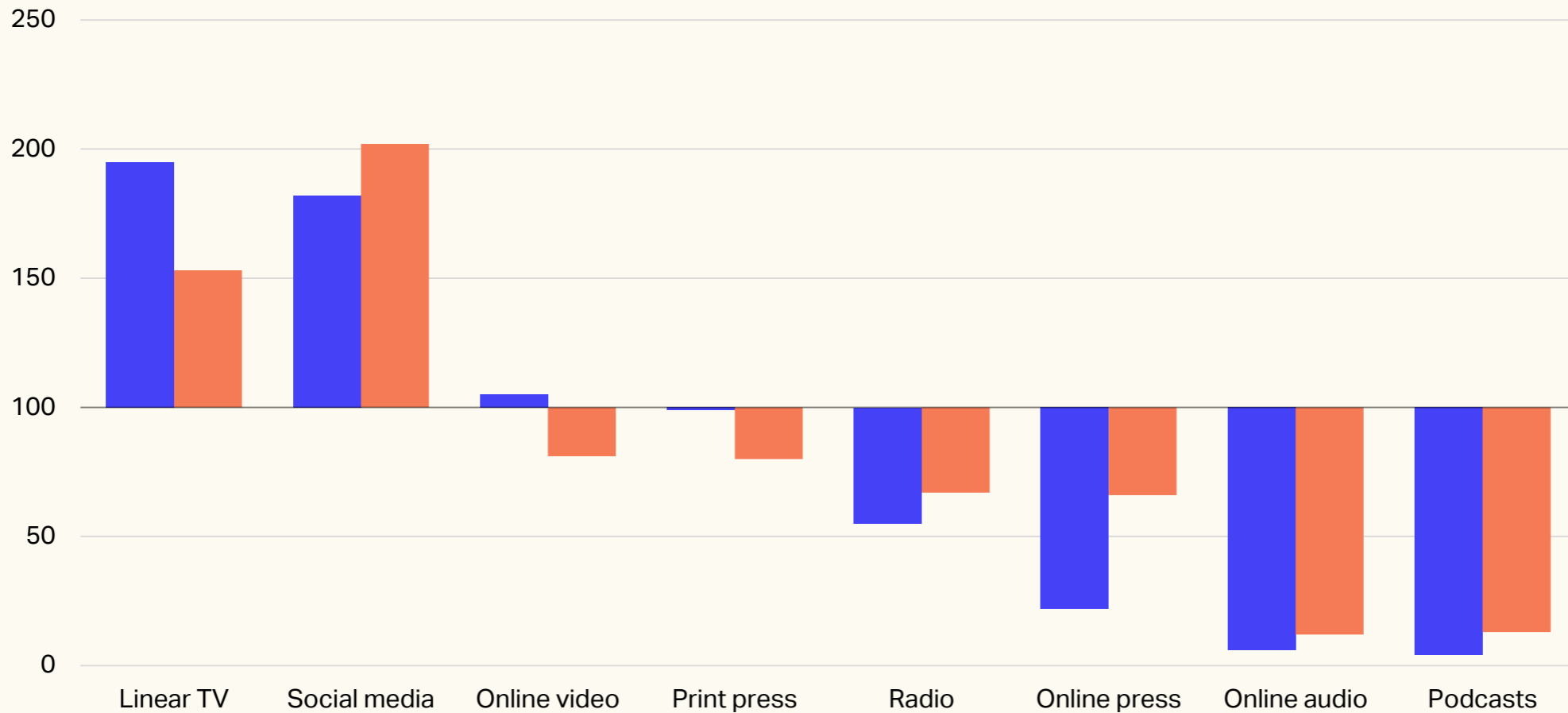
United Kingdom, The Investment Gap, 2022(f)



Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

United States, The Investment Gap, 2022(f)

■ Global ■ United States



Advertising's share is larger

Consumption's share is larger

Note: A number above 100 indicates that the medium's share of adspend is larger than its share of consumption, and a number below 100 indicates the inverse.

Chapter 5

Latest Market Intel



Global

Nearly 10% of online shopping traffic now comes from social media

[read more](#)

Brands moving Instagram strategy to IGTV and carousel posts

[read more](#)

B2B marketers use broader range of channels than B2C

[read more](#)

44% of adults say they are not fully represented in advertising

[read more](#)

Half of strategists are focusing more on upstream planning

[read more](#)

Sport and news podcasts attract most advertising spend

[read more](#)

Metaverse audiences interested in brand and sponsor content

[read more](#)

Amazon Prime Video leads among older audiences

[read more](#)



Americas

53% of US advertisers expect to spend more on OTT/CTV

[read more](#)

US podcast adspend up 24% as more advertisers join

[read more](#)

Female gamers play for over seven hours a week in Mexico

[read more](#)

Latin America has more loyal audiences than North America

[read more](#)

Instacart advertisers become more efficient as ROAS rises 12%

[read more](#)

Over 40% of Americans say they're not fully represented in advertising

[read more](#)

Latin American B2B companies spend 20% of their marketing budget on advertising

[read more](#)

TikTok user activity has risen 51% and overtaken YouTube in the US

[read more](#)



Asia Pacific

Women out-game men in China and India

[read more](#)

59% of Australian brands to spend more on addressable TV

[read more](#)

APAC B2B companies spend 18% of their marketing budget on advertising

[read more](#)

TikTok growing rapidly in Japan and South Korea, but YouTube still leads

[read more](#)

44% of Southeast Asian consumers play video games while watching TV

[read more](#)

Commerce and video streaming are most important trends for APAC marketers

[read more](#)

Loyal audiences less prominent in Asia Pacific

[read more](#)

One-third of APAC consumers say they're not fully represented in advertising

[read more](#)



Europe, Middle East and Africa

Direct mail campaigns more likely to successfully use personalisation

[read more](#)

Gen Z consumers are twice as likely to buy from a brand with a sonic identity

[read more](#)

Female gamers play for seven hours a week in Germany

[read more](#)

Loyal audiences most prominent in EMEA

[read more](#)

Half of European adults say they're not fully represented in advertising

[read more](#)

62% of French advertisers expect to spend more on addressable TV

[read more](#)

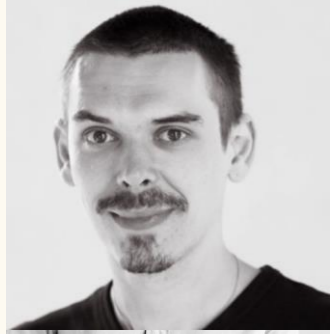
Consumers in Poland, Spain and the UK most likely to always accept website cookies

[read more](#)

South African B2B companies spend 16% of their marketing budget on advertising

[read more](#)





James McDonald

Managing Editor
WARC Data
james.mcdonald@warc.com



Rob Clapp

Senior Analyst
WARC Data
rob.clapp@warc.com



Suzy Young

Partner Relations
WARC Data
suzy.young@warc.com



Cinzia Petio

Analyst
WARC Data
cinzia.petio@warc.com

Contact Us

London

33 Kingsway
London
WC2B 6UF
United Kingdom
+44 (0)20 7467 8100
enquiries@warc.com

New York

229 West 43rd Street
7th Floor
New York, NY 10036
United States
+1 212 201 2800
americas@warc.com

Singapore

OUE Downtown 1
#44-03, 6 Shenton Way
Singapore 068809
+65 3157 6200
asiapacific@warc.com

Shanghai

Unit 05-08
31/F Garden Square
968 West Beijing Road
Jing'an District, Shanghai
+ 8621 6197 8692
nihaochina@warc.com

