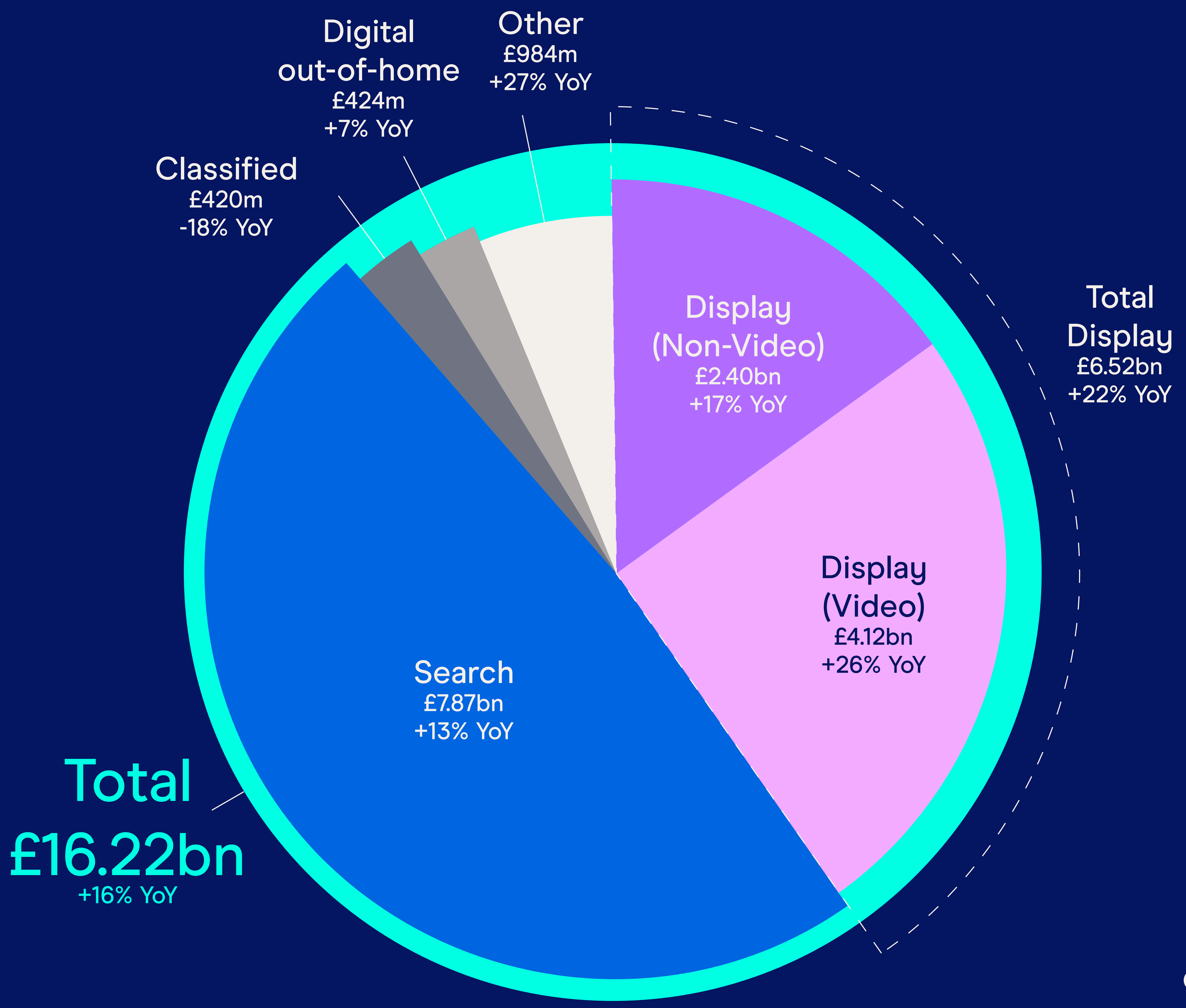
UK digital advertising spend grew by 16% in H1 2024

- H1 2024 digital ad spend defied slow economic conditions and grew exceptionally, by 16% YoY and reached £16.2bn.
- Search grew 13%, however, its share of spend fell for the first time since 2020, as other formats have performed better.
- Video was a standout performer and grew 26%. It was the only format to show double-digit growth for the fourth year in a row, driven by short-form video and CTV growth.
- Non-video has shown excellent performance and growth outstripped search. Standard display across mobile and non-mobile provided the uplift.
- Digital out-of-home grew at a slower rate than all other formats, with more rapid increases seen amongst the emerging formats in the “Other” category.



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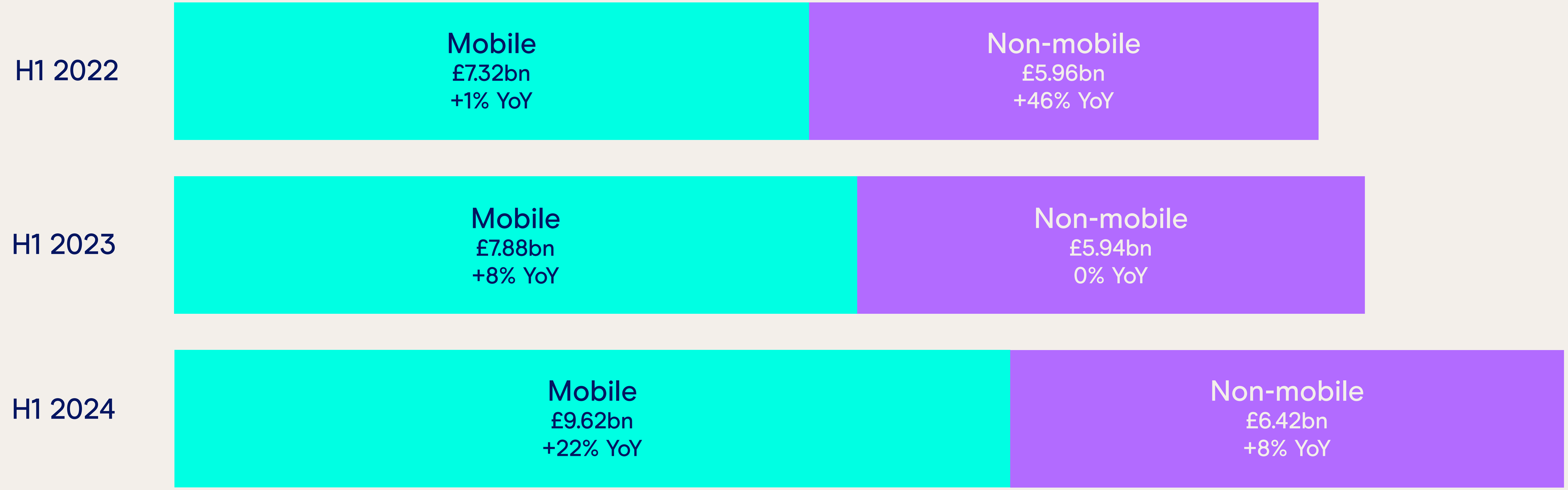
Mobile growth excelled, driven by social video. Non-mobile is on an upward trajectory due to search and video, having struggled for growth since 2014.



Some formats cannot be shown by device and therefore, the total Mobile and Non-Mobile doesn't equal the total market spend.

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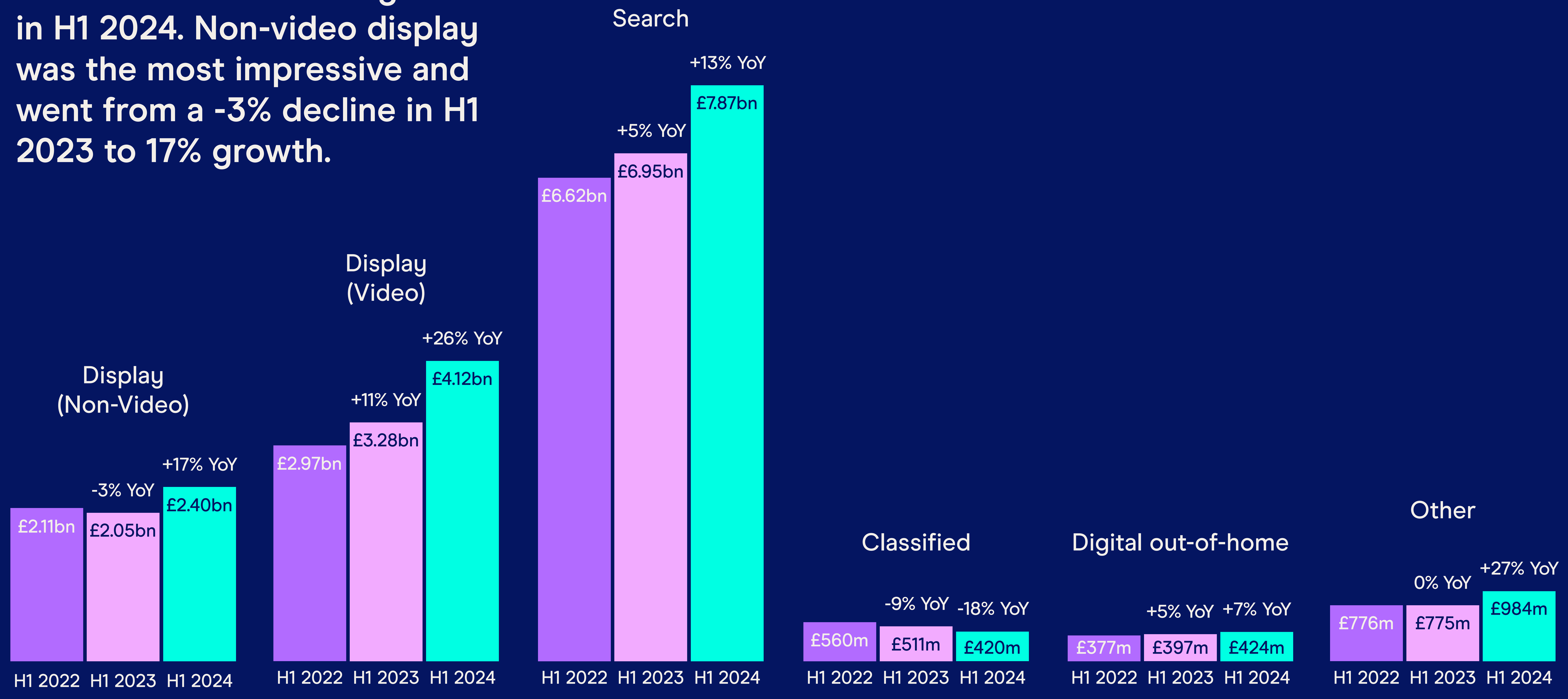
All formats except classified saw an acceleration of growth in H1 2024. Non-video display was the most impressive and went from a -3% decline in H1 2023 to 17% growth.



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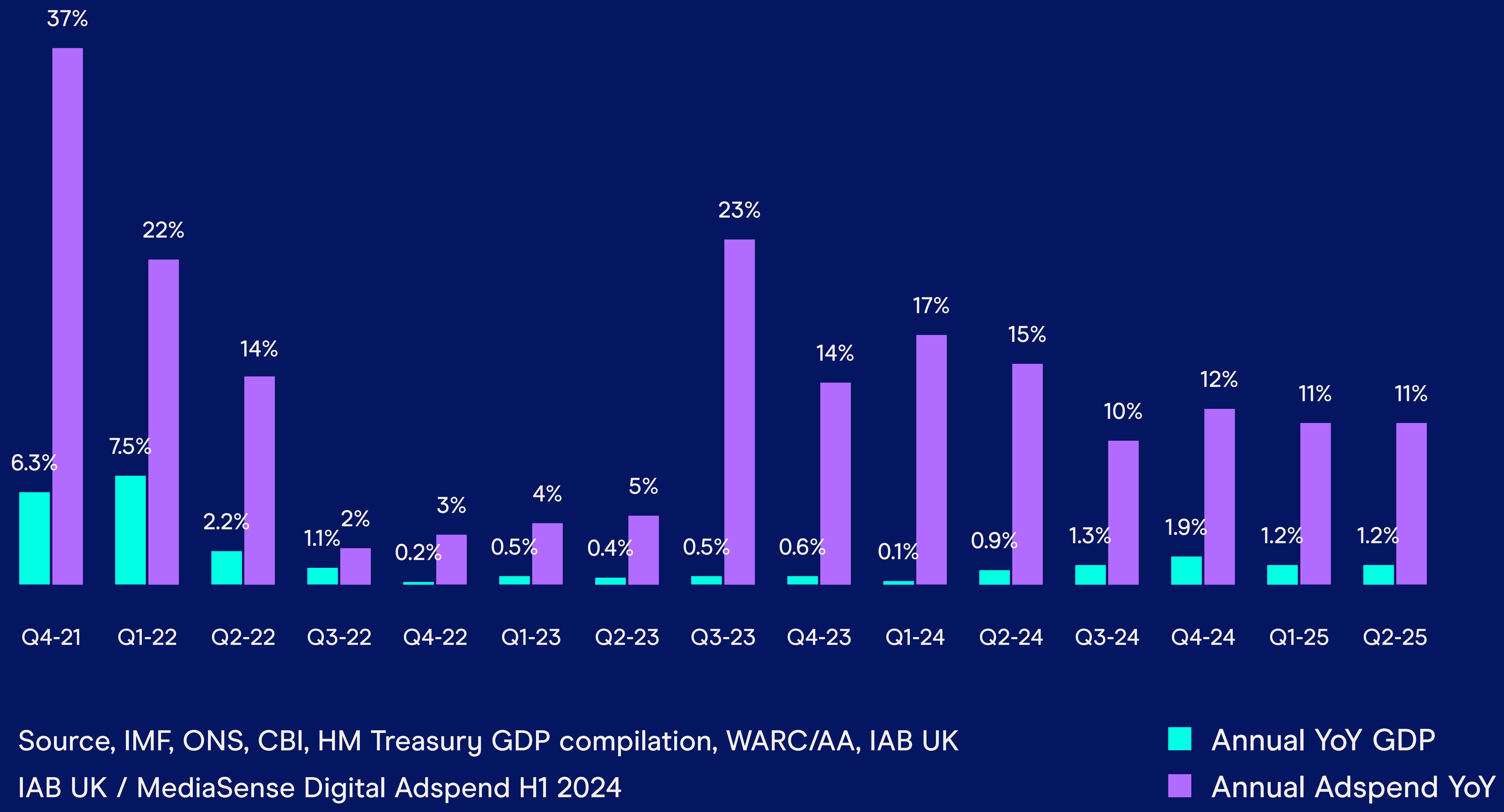
Strong growth in ad spend is expected throughout 2024 and into 2025

UK GDP and digital ad spend YoY growth (%)



Source, IMF, ONS, CBI, HM Treasury GDP compilation, WARC/AA, IAB UK

IAB UK / MediaSense Digital Adspend H1 2024

UK digital advertising spend growth is expected to remain in double digits throughout the second half of 2024 and the first half of 2025.

Key drivers include video formats, with CTV and social video providing impetus. Also, excellent growth for retail media is anticipated, which continues to gather industry support.

Furthermore, the UK economy is on an upward trajectory, compared to the top 5 European countries. The UK has the second highest GDP growth forecast for 2025, leading to favourable conditions for attracting ad spend from multinational brands.

A key detractor for growth is that households are reigning in their consumption and have increased monthly savings. This is in response to multiple global shocks in recent years and is leading to more caution and a desire to build up rainy-day savings.

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