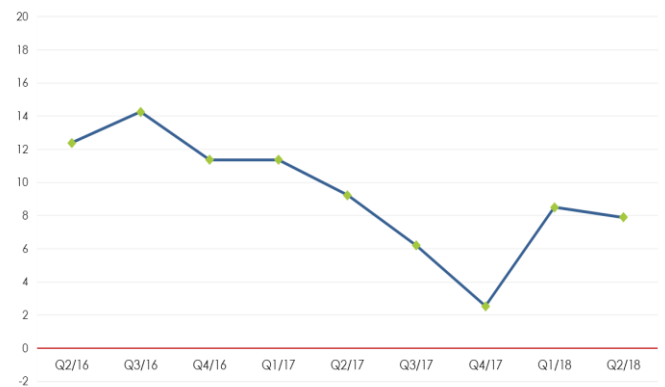


Surging confidence in the European advertising business slows down in the second quarter of 2018

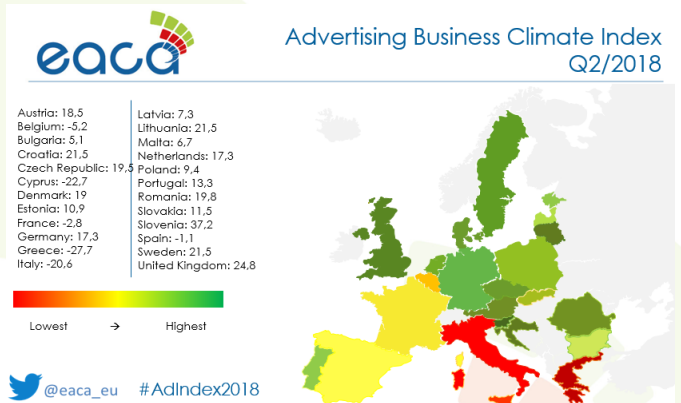
Brussels, 1 August 2018 – The rise of business confidence in the European advertising and marketing sector has come to a halt and business confidence decreased slightly in the second quarter of the year, according to the latest European Advertising Business Climate Index, issued by the European Association of Communications Agencies (EACA).

The report shows that business confidence in the ad industry decreased by 0.6 points from +8.5 in Q1/2018 to +7.9 in Q2/2018.¹ However, confidence levels still remain strongly in the positive.



Further decline has been limited by the UK, which has the largest share of the advertising market in Europe, and for which the confidence index for has risen from 0 (Q1/2018) to +24.8 (Q2/2018). The expectation of advertising demand in the UK has also increased by 29.9 points from +17.5 to +47.4 between Q1 and Q2/2018.

In addition, high levels of confidence have been recorded particularly in the Southeastern European countries of Croatia (+21.5) and Slovenia (+37.2, the highest level of all the countries).



On the other side of the spectrum, more than half of the countries measured indicate lower business confidence levels compared to the previous quarter. The countries with the highest drop are Cyprus (decline by 23.9 points), Greece (decline by 22.1 points and holding the lowest confidence level of all the countries: -27.7), and Spain (decline by 20.2) points. The Mediterranean region displays the strongest

¹ The method of calculating confidence levels has been slightly adjusted from the previous reports issued by EACA. Instead of using the data of every third month of the Advertising Business Climate Index, each point now represents the average values of three months to reflect a quarter. Whenever levels are compared to previous ones in this press release, these have been adjusted to the new methodology.

decrease in confidence levels in future demand, prices and employment opportunities in advertising and marketing services.

Although the decline is rather minimal, European-wide expectations of prices have undergone a downward surge from the previously measured +7.9 points to +3.5 for the next quarter (Q3/2018). The expectation of employment has also decreased from +14.2 to +10.9.

The perception of the evolution of the general business development remain in the negative for over one year now. In the most recent report, this level has been measured at -0.4. However, it has slightly increased over the past six months.

Looking into the future, the expectation of advertising demand has increased, from the previously recorded +16.3 points to +17.7 for Q3/2018. However, the demand expectations have not fully reflected the perception of the evolution of demand. According to the latest results, the lack of demand in advertising and marketing services is 45 % responsible for limiting the business.

Click [here](#) to access all the previous press releases of the European Advertising Business Climate Index. In order to get access to the full reports, please get in touch with EACA on info@eaca.eu.

EACA will publish the next edition of the European Advertising Business Climate Index in the beginning of November 2018.

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#AdIndex2018



About the Advertising Business Climate Index

The Advertising Business Climate Index builds on responses provided by advertising and market research companies across Europe for [the Business and Consumer Survey](#) of the European Commission (DG ECOFIN). Every month, companies fill in a standardised questionnaire answering different sets of questions with a simple scale of responses: “increase” (+), “remain unchanged” (=), “decrease” (-). The numbers, expressed in the graphs and the press release, are balances. The balances are obtained after a percentage of negative answers is subtracted from a percentage of positive answers.

Regions featured in the index are **Western Europe** (Austria, Belgium, France, Germany, Netherlands and United Kingdom), **Central/Eastern Europe** (Bulgaria, Croatia, the Czech Republic, Estonia, Lithuania, Latvia, Poland, Romania, Slovakia and Slovenia), **Mediterranean Europe** (Cyprus, Greece, Italy, Malta, Spain and Portugal), and **Northern Europe** (Denmark and Sweden). Ireland, Finland, Luxembourg and Hungary do not provide data.

About EACA

The European Association of Communications Agencies (EACA) represents more than 2 500 communications agencies and agency associations from nearly 30 European countries that directly employ more than 120 000 people. EACA members include advertising, media, digital, branding and PR agencies.

For more information, click [here](#). Find us on [Facebook](#), [Twitter](#) & [LinkedIn](#).