

## Confidence in the European advertising business decreases slightly in Q1/2019

Brussels, 2 May 2019 – Business confidence in the European advertising and marketing sector has taken a slight turn downwards, according to the latest European Advertising Business Climate Index, issued by the European Association of Communications Agencies (EACA).

The report, based on a sample of nearly 1,500 advertising and market research companies across Europe, shows that business confidence in the ad industry has decreased from +6 to +2.7 over the last quarter (see Graph 1).

Graph 1: Confidence in the European advertising business climate over the last two years



Graph 2 illustrates developments over a 5-year period.

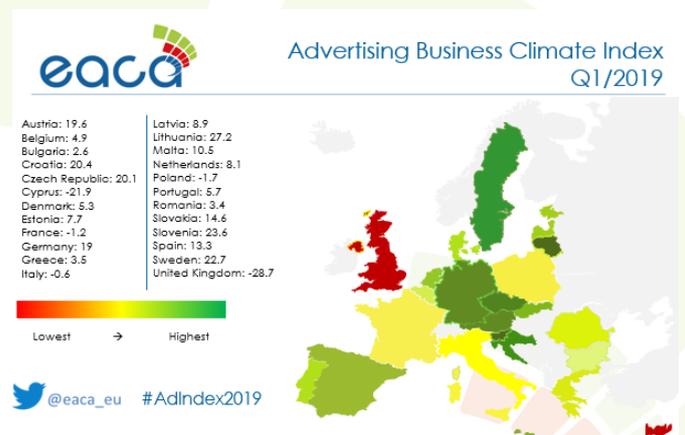
Graph 2: Confidence in the European advertising business climate over the last five years



Regarding past development, the results show a small increase in demand for advertising services over the last three months (from +2.1 to +2.3). The perception of employment development has also been positive (from -1 to +1.1).

However, the expectations for the future are rather negative. Demand for advertising services and employment opportunities are both expected to decrease in the next quarter (from +12 to +7.8 and from +9.2 to +4.1, respectively).

For the UK, which is the largest advertising market in Europe,<sup>1</sup> the expectations for demand for advertising services decrease from +1 to -30.4 and employment from +15.6 to -10.6 in the next quarter. Due to its large share of the advertising market in Europe, the UK has the second highest co-efficient for the Ad Index.<sup>2</sup> Its weak situation (worst among all the countries surveyed) is likely to have played a role in the overall European outcome. The results were, in fact, collected at the verge of the initial Brexit deadline of 29 March and the risk of "Hard Brexit", which was feared to cause trouble for the industry.<sup>3</sup>



<sup>1</sup> Statista, Advertising spending in the world's largest ad markets in 2018

<https://www.statista.com/statistics/273736/advertising-expenditure-in-the-worlds-largest-ad-markets/>

<sup>2</sup> For more information, please see: [https://ec.europa.eu/info/files/user-guides-country-weights\\_en](https://ec.europa.eu/info/files/user-guides-country-weights_en)

<sup>3</sup> For more information about the state of Brexit, please visit: <https://eaca.eu/advocacy/brexit/>

The general confidence index in the countries with the highest and the third biggest co-efficients in the Ad Index – Germany and France – have also decreased over the last quarter from +19.2 to +19 and +3.5 to -1.2, respectively.

The country with the highest confidence index remains Lithuania, although its confidence index has decreased a little from +32.2 in Q4/2018 to +27.2 in Q1/2019.

The biggest “gainers” over the last quarter in terms of their confidence index are Greece (from -26.8 to +3.5), Estonia (from -3.1 to +7.7) and Spain (from +4.3 to +13.3).

“The latest results of the Ad Index demonstrate fluctuation in an uncertain political atmosphere for businesses. In the coming weeks and months, we will see the future course that Brexit will take in addition to the new European Parliament and national elections in countries such as Spain, Denmark and Greece,” says Tamara Daltroff, EACA’s Director General.

**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](mailto:info@eaca.eu).**

EACA will publish the next edition of the European Advertising Business Climate Index in the beginning of August 2019.

For more information, please contact:

**#AdIndex2019**



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### **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). For the advertising and market research companies, the total sample size is 1,449.

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 are subtracted from a percentage of positive answers.

Countries featured in the index are Austria, Belgium, Bulgaria, Croatia, Czech Republic, Cyprus, Denmark, Estonia, France, Germany, Greece, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom. 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.

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