*PRESS STATEMENT*

**Europe’s booming online ad industry accounts for 1.4 million jobs, € 100 billion of Gross Value Added (GVA)\*, new study reports**

Brussels, BELGIUM, November 25 - Online advertising has expanded from a nascent industry into a powerhouse over the past decade and a half.  It now generates over a million jobs in the EU-28 economy, and contributes more than € 100 billion of gross value added (GVA)\*. The figures are estimates published today in a study produced by IHS and sponsored by IAB Europe, “Paving the way: online advertising in the European economy”.

The study represents the first serious attempt to detail online advertising’s contribution to the overall EU economy measured in jobs.

Online advertising generated € 30.7 billion of revenue for European publishers in 2014, nearly a third of total advertising revenue. Looking purely at digital publishing (as opposed to traditional and digital combined), advertising is by far the most important source for funding journalistic content, providing 75% of all online revenues.

Similarly, the buoyant mobile content market depends on advertising. In 2015, advertising replaced paid-for app revenues as the top revenue source.

Digital is now the second largest advertising sector in Europe, behind only television. By the end of 2015, it is predicted to pull ahead of TV in at least the most advanced EU markets.

By funding the Internet, online advertising provides European consumers with a wide range of educational, scientific, informational and entertainment services at little or no cost.

Online advertising also acts as an incubator for high-end data analytics and other digital skills that can then be deployed elsewhere in the economy.  “As advertising becomes increasingly data-driven and technology-centric, the sector is at the forefront of hiring and nurturing talent that possesses the skills to transform and future-proof other industries”, said Townsend Feehan, CEO of IAB Europe.

Some of these skills are those that are required to deliver a new way of buying and selling online advertising – “programmatic” – an umbrella term for automated transactional mechanisms using data and software.  “Programmatic has emerged as a key growth area, and Europe has already shown that it can produce world-leading talent in this space”, noted John Wittesaele, Managing Director, EMEA for GroupM Connect and IAB Europe Board Member.

In the study, IAB Europe makes recommendations for policy-makers seeking to protect the benefits accruing to users from the advertising-funded Internet, and digital innovation in Europe.  These recommendations include a call for data protection rules that match regulatory scrutiny to actual risk to consumers better than the texts currently under negotiation between the EU institutions.

The complete report is available [here](http://www.iabeurope.eu/news/paving-way-how-online-advertising-enables-digital-economy-fu).

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\*The term « gross value added » denotes a firm’s turnover minus what it pays its suppliers. The GVA of all of the firms in a given industry can be added up. The total sum across the *economy* – that is, adding up all industries – is roughly equivalent to the economy’s gross domestic product or GDP (GDP is equivalent to the sum of all industries’ GVA plus taxes and minus subsidies). A further explanation of the term may be found [here](http://www.ons.gov.uk/ons/guide-method/method-quality/specific/economy/national-accounts/gva/relationship-gva-and-gdp/gross-value-added-and-gross-domestic-product.html).

***About IAB Europe***

*IAB Europe is the voice of digital business and the leading European-level industry association for the interactive advertising ecosystem. Its mission is to promote the development of this innovative sector by shaping the regulatory environment, investing in research and education, and developing and facilitating the uptake of business standards. Together with its members – companies and national trade associations – IAB Europe represents over 5,500 organisations.*

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