

252/2016 - 14 December 2016

Use of internet advertising by enterprises

1 in 4 EU businesses advertised online in 2016

Contextual advertising largely prevails

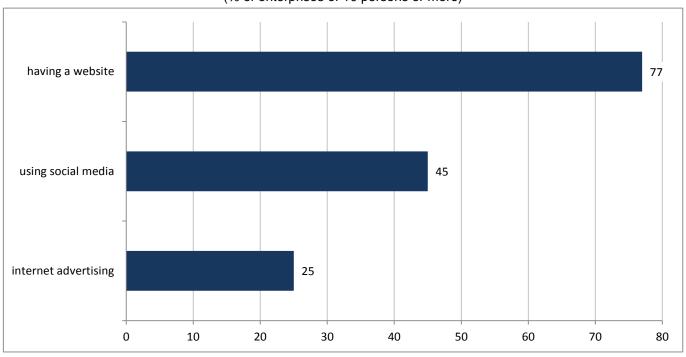
In the last 15 years, the internet has redefined the output of traditional broadcast media — television and radio — as well as print media, such as magazines and newspapers. It offers a number of new or extended services, particularly in marketing and advertising. However, while around three-quarters of enterprises located in the **European Union** (EU) and employing at least 10 persons had a website in 2016 and almost half used social media, just a quarter (25%) used internet advertising.

Businesses running their marketing campaigns on the internet have developed targeted advertisement methods that increase the likelihood of their promotional marketing messages reaching the right audience. Used by over three-quarters (78%) of **EU** businesses advertising online, contextual advertising (i.e. ads based on the content of the web pages internet surfers are viewing) was by far the most popular type of targeted internet advertising. This was followed by geo-targeting advertisement (i.e. ads based on the users' geographic location) with 30% and behavioural targeting advertisement (i.e. ads based on users' past browsing activities using cookies) with 27%, while the use of other methods of targeted advertising was reported by 35% of EU businesses.

This information on paid internet advertising comes from an <u>article</u> issued by **Eurostat**, **the statistical office of the European Union**, and forms part of the results of a survey conducted at the beginning of 2016 on ICT (Information and Communication Technologies) usage and e-commerce in enterprises.

Businesses' presence on the internet in the EU, 2016

(% of enterprises of 10 persons or more)

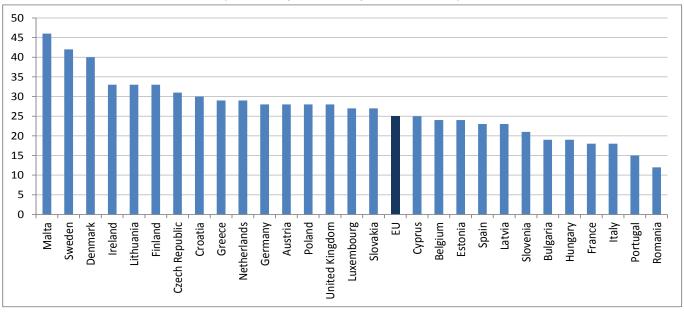


Highest share of enterprises advertising online in Malta, Sweden and Denmark

Among the EU Member States in 2016, internet advertising was used by a third or more of enterprises in **Malta** (46%), **Sweden** (42%), **Denmark** (40%), **Ireland**, **Lithuania** and **Finland** (all 33%), while it concerned less than 20% of enterprises in **Romania** (12%), **Portugal** (15%), **France** and **Italy** (both 18%) as well as **Bulgaria** and **Hungary** (both 19%).

Businesses' use of internet advertising in the EU Member States, 2016

(% of enterprises of 10 persons or more)

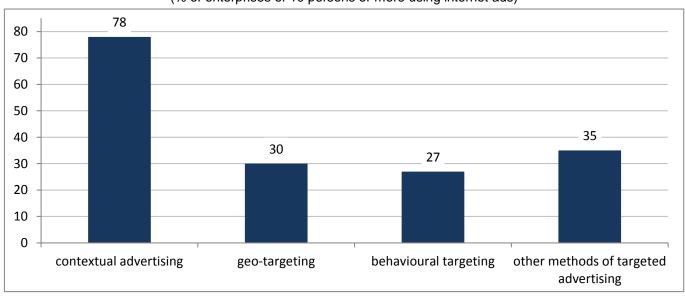


Contextual ads main type in all Member States

In every EU Member State, contextual advertising, i.e. the use of information from the content of internet surfers' visited webpages or keywords from their queries to identify the audience accurately before sending relevant ads, was by far the main type of targeted online advertising used by enterprises. The highest proportions of enterprises using contextual advertising for their internet campaigns were recorded in the **Czech Republic** and **Poland** (both 89%), ahead of **Romania** (84%), **Greece**, **Latvia** and the **Netherlands** (all 83%), **Germany**, **France** and **Slovenia** (all 82%), **Lithuania** and **Finland** (both 81%) as well as **Hungary** (80%).

Geo-targeting was used by more than half of enterprises advertising online in **Cyprus** (53%) and by around 40% of them in **Ireland** (43%), **Malta** (41%), the **Netherlands** (40%), **Latvia** and **Finland** (both 39%). For behavioural targeting, the highest shares were recorded in **Cyprus** (48%), the **Netherlands** and **Finland** (both 42%).

EU businesses' use of internet advertising, by type of targeted ads, 2016 (% of enterprises of 10 persons or more using internet ads)



Businesses' internet advertising practices, 2016 (enterprises of 10 persons or more)

	% of enterprises			% of enterprises using internet ads*			
	Having a website	Using social media	Internet advertising	Contextual advertising	Geo-targeting	Behavioural targeting	Other methods of targeted ads
EU	77	45	25	78	30	27	35
Belgium	81	53	24	71	29	25	50
Bulgaria	51	32	19	73	23	21	31
Czech Republic	82	34	31	89	25	25	24
Denmark	93	64	40	69	38	29	40
Germany	89	47	28	82	26	19	22
Estonia	78	39	24	73	27	38	32
Ireland	76	66	33	79	43	38	46
Greece	66	44	29	83	37	29	46
Spain	75	44	23	74	29	33	44
France	68	36	18	82	30	31	43
Croatia	69	42	30	56	24	29	24
Italy	71	39	18	76	30	24	36
Cyprus	75	64	25	70	53	48	5
Latvia	63	26	23	83	39	27	47
Lithuania	77	45	33	81	25	36	44
Luxembourg	81	49	27	71	27	23	37
Hungary	68	34	19	80	29	26	34
Malta	83	71	46	74	41	36	65
Netherlands	89	65	29	83	40	42	49
Austria	88	50	28	74	33	35	33
Poland	67	25	28	89	25	27	34
Portugal	64	44	15	74	34	29	55
Romania	42	30	12	84	35	37	36
Slovenia	83	46	21	82	27	30	22
Slovakia	78	34	27	62	16	23	60
Finland	95	60	33	81	39	42	35
Sweden	90	58	42	61	26	24	19
United Kingdom	83	59	28	71	35	26	44
Norway	80	68	36	71	42	25	42
FYR of Macedonia	53	53	22	49	29	25	75
Turkey	66	38	:	:	:	:	:

^{*} The same enterprise may report advertising practices in several or all categories.

[:] data not available

The source dataset on internet advertising can be found here.

Geographical information

The **European Union** (EU) includes Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

Methods and definitions

Data presented in this News Release are based on the results of the 2016 European Union survey on "ICT usage and e-commerce in enterprises". This survey covered enterprises with at least 10 persons employed in manufacturing; electricity, gas and steam; water supply; construction; wholesale and retail trade, repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities; information and communication; real estate; professional, scientific and technical activities; administrative and support activities; repair of computers and communication equipment.

Data presented in this News Release refer exclusively to paid internet advertising (paid ads).

Targeted internet advertising focuses on using internet-based technologies that increase the likelihood of promotional marketing messages reaching the right audience. Targeted internet advertising includes *dynamic ads* using various methods such as online contextual advertising, behavioural targeting and geo-targeting as well as the use of *static ads* on subject-specific websites (e.g. displaying ads for spare parts of car engines on websites on vehicles or automotive themes) or websites such as online newspapers, magazines or blogs for specific audience.

Online **contextual advertising** is a type of targeted internet advertising that uses technologies embedded in websites and apps that choose ads based on the content of the web pages internet surfers view. Internet users are presented with adverts that automated systems (ad servers) have selected for them based on the content of the webpage they are browsing. Similarly, contextual advertising can be based on the specific keywords used in the user's latest query from the same device.

Behavioural targeting is a form of targeted internet advertising, based on information about users' past browsing activities recorded by cookies. Businesses may use this information to determine whether an internet user belongs to a specific target audience, subsequently sending internet ads matching the user's profile.

Geo-targeting is a type of targeted internet advertising that refers to the use of internet users' geographic location such as the country, region, city and often zip code that provide useful information for targeting suitable advertisements, for example about restaurants nearby.

Other methods of targeted advertising concern the use of static internet ads on subject-specific websites (e.g. displaying ads for spare parts of car engines on websites on vehicles or automotive themes) or on websites such as online newspapers, magazines or blogs for specific audience.

Timetable

A news release on ICT usage in household and by individuals is scheduled for 20 December 2016.

For more information

Eurostat website section on digital economy and society statistics.

Eurostat database on digital economy and society.

Eurostat Statistics Explained article on the use of internet advertising by enterprises.

European Commission Digital Single Market strategy.

Issued by: Eurostat Press Office

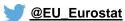
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