

Press Release

The Internet grew by 22 % in 2021 and confirmed its position as the strongest media type

Prague, April 11, 2022 - Online ad spends reached 48 billion CZK in 2021. This is the highest investment so far, compared to 2020, this is a 22 % increase, in which display advertising (+ 21 %) and paid search advertising (+ 27 %) contributed the most in absolute terms. From the point of view of the way advertising space is traded, the programmatic purchase of display advertising grew by 25 %. Expectations for 2022 are a 12% increase in investment in online advertising. The data come from an online ad spend research conducted by the Median agency for the Association for Internet Progress (SPIR). Data for other media types were provided by Nielsen-Admosphere.

Because the performance of all other media types on the market is given in ratecard prices, but the volume of Internet advertising is made up of ratecard and net prices, SPIR decided to methodological adjustment of the research for 2021 to allow comparison with other media types. The adjustment of the methodology consists in recalculating the total online performance to ratecard prices. The performance of online advertising, formed by the sum of ratecard and net prices, reached CZK 48.3 billion last year. In ratecard price it means a volume of CZK 96.6 billion, which thus confirms online advertising the position the strongest media type.

"The Internet is constantly strengthening its position as a communication channel, which is positive news in the post-Covid era. Looking through the ratecard prices, which allow comparisons with other media types, with its ad spend of almost CZK 97 billion, its dominant position is clear," commented Michal Hanák, Chairman of the SPIR Executive Board.

The research took place in January and February 2022 and involved online publishers, media, digital and specialized agencies, an advertising network and direct advertisers. The research methodology and its modifications for the year 2021 are described in detail on the website <https://www.inzertnivykony.cz/>

Development of total expenditures in Internet advertising

In 2021, advertisers used Internet advertising for CZK 48.3 billion (sum of ratecard and net prices). This is the highest investment so far, representing a 22% increase over the previous year and confirming the ever-increasing trend in the use of online forms of advertising. This year's growth is estimated at 12%, which would mean a total investment of CZK 54.2 billion in Internet advertising in 2022. According to research participants, growth estimates are conservative.

The Development of Total Expenditures in Internet Advertising

Source: SPIR, Median, ppm factum, March 2022

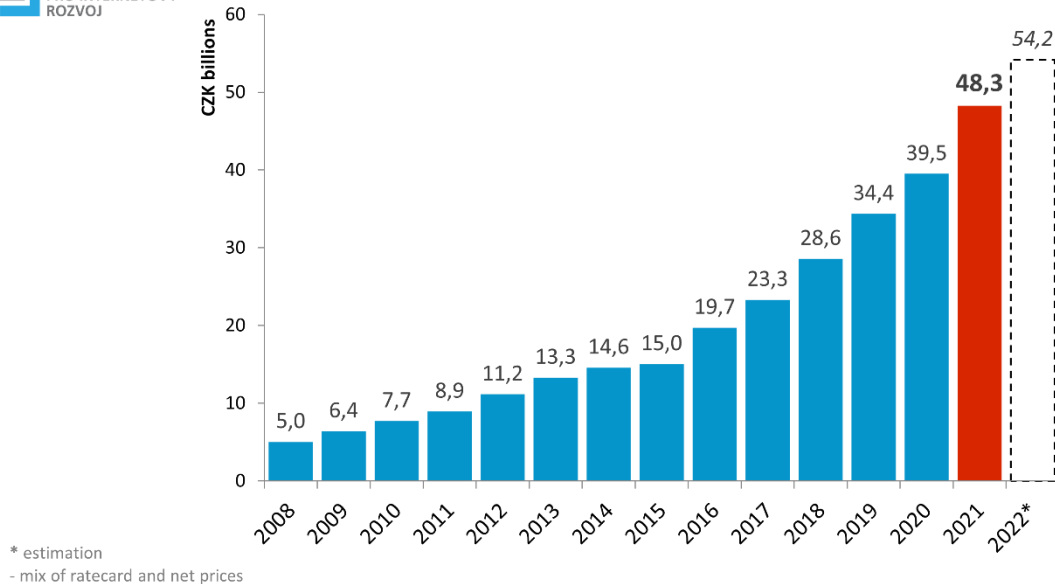


Chart 1: Development of total expenditures in Internet advertising in billions of CZK

Detailed research results, including the share of individual forms of Internet advertising, are available on the website www.inzertnivykony.cz.

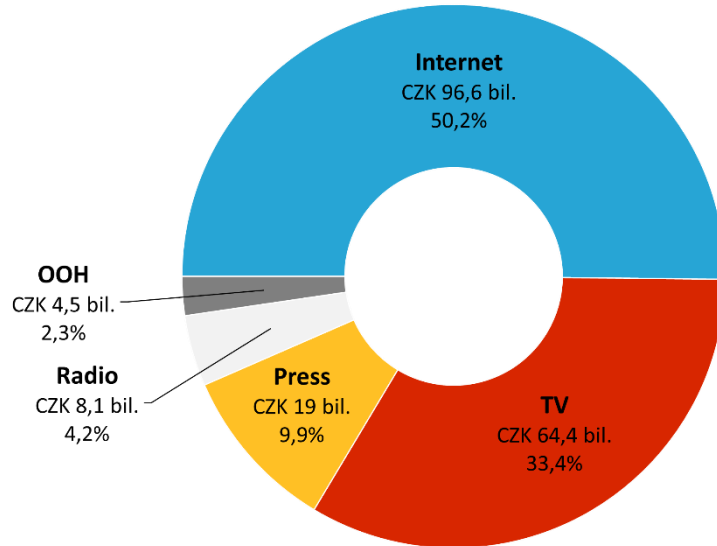
Share of individual media types in 2021

Nielsen Admosphere monitoring of advertising investments data were used to compare the size of advertising for entire media types. **Online advertising, converted for the purpose of comparison with other media types into ratecard prices, has a 50.2% share (CZK 96.6 billion).** It is followed by television with CZK 64.4 billion (share 33.4%). Print advertising reached CZK 19 billion last year and has a 9.9% share in advertising budgets. Radio advertising amounted to CZK 8.1 billion (4.2% share) and out of home advertising (OOH) earned CZK 4.5 billion (2.3% share) last year.

Prices do not include self-promotion.

Share of price list values of advertising space in 2021

Source: Internet - SPIR, Median; TV, Press, Radio, OOH - Nielsen Admosphere; March 2022

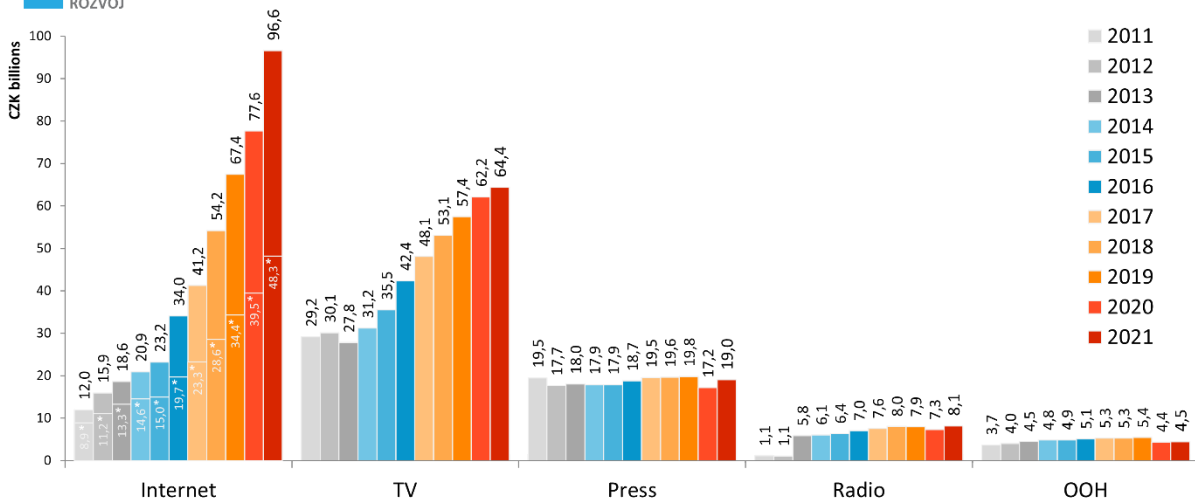


- ratecard prices

Chart 2: Share of price list values of advertising space in 2021

Development of price list value of advertising space

Source: Internet - SPIR, Median, ppm factum, Kantar Media; TV, Press, Radio, OOH - Nielsen Admosphere; March 2022



ratecard prices; * mix of ratecard and net prices

prices excl. self-promotion campaigns; Radio in 2011-2012 without regional sales

Chart 3: Development of price list value of advertising space according to media types

The performance of Internet advertising found in the research was converted into ratecard prices using inverse conversion data used in the European research of online advertising expenditures AdEx benchmark from IAB Europe, where SPIR supplies data for the Czech Republic. The total number of digital performance in ratecard prices is composed of two partial values. The first component is advertising forms, which are

naturally in the research in ratecard price, ie direct display, classifieds and directories. The second component is the advertising forms programmatic display and paid search advertising, which in the research are naturally in net prices. This second component is converted to ratecard prices by the relevant inversion coefficient used in IAB Europe's Adex research to convert ratecard prices to net prices. More details about the methodology used can be found at <https://www.inzertnivykony.cz>.

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