

Press Release

Online advertising grew by 18% in 2022, spending reached almost CZK 57 billion

Prague, April 17, 2023 - Online ad spends reached almost 57 billion CZK in 2022, which confirms the role of the Internet as the strongest media type. This is the highest investment so far, compared to 2020, this is an 18 % increase, in which display advertising (+ 23 %) and paid search advertising (+ 9 %) 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 35 %. Expectations for 2023 are a 7% 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).

The performance of other media types on the market is indicated in list prices, while the volume of Internet advertising is made up of both list prices and net prices. Therefore, from 2021, SPIR methodically modified the research, recalculating the overall performance of online to price list prices, so that comparison with other media types was possible. Last year, the performance of online advertising consisting of the sum of list prices and net prices reached CZK 56.8 billion. Converted into list prices, this is a volume of CZK 117.7 billion, which confirms the position of online advertising as the strongest media type.

"It is positive to see that even in times of global economic recession, the Internet is thriving as an advertising channel. At the same time, it is logical, because the online environment offers the most precise targeting of advertising campaigns, the immediate possibility of their optimization and an overview of the effectiveness of the funds spent in real time" commented Michal Hanák, Chairman of the SPIR Executive Board.

The research took place in January and February 2023 and involved online publishers, media, digital and specialized agencies, an advertising network and direct advertisers. The research methodology and its modifications for the year 2022 are described in detail on the website <https://www.inzertnivykony.cz/>

Development of total expenditures in Internet advertising

In 2022, advertisers used Internet advertising in the amount of CZK 56.8 billion (sum of list prices and net prices). These are the highest investments to date, representing an 18% increase compared to the previous year and copying the continuously growing trend in the use of online advertising. For the year 2023, development is estimated to slow down to 7% growth, which would mean a total investment of CZK 60.8 billion in internet advertising in 2023. Research participants are traditionally conservative in their growth estimates, this year the adverse economic situation also contributes to caution in the estimate and the effects of inflation.

The Development of Total Expenditures in Internet Advertising

Source: SPIR, Median, ppm factum, March 2023

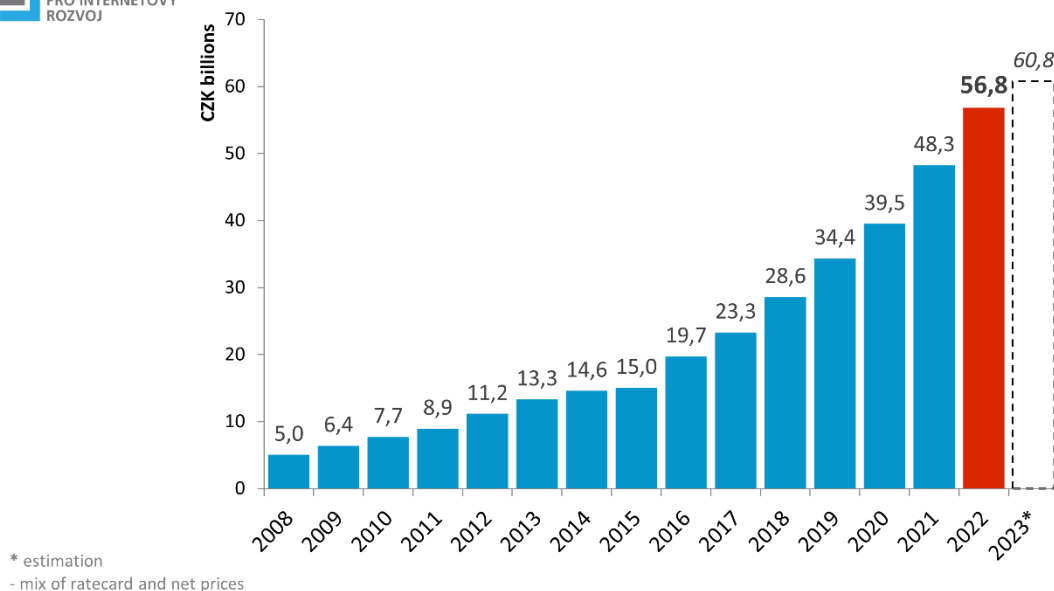


Chart 1: Development of total expenditures in Internet advertising in billions of CZK

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

Share of individual media types in 2022

The amount of gross advertising investment for other media types is not available for 2022, so it is not possible to make a direct comparison and determine their shares for the previous year. If we are based on historical time series, the internet undoubtedly takes the lead with a large advertising space in gross prices of more than 100 billion CZK for the year 2022.

Development of price list value of advertising space

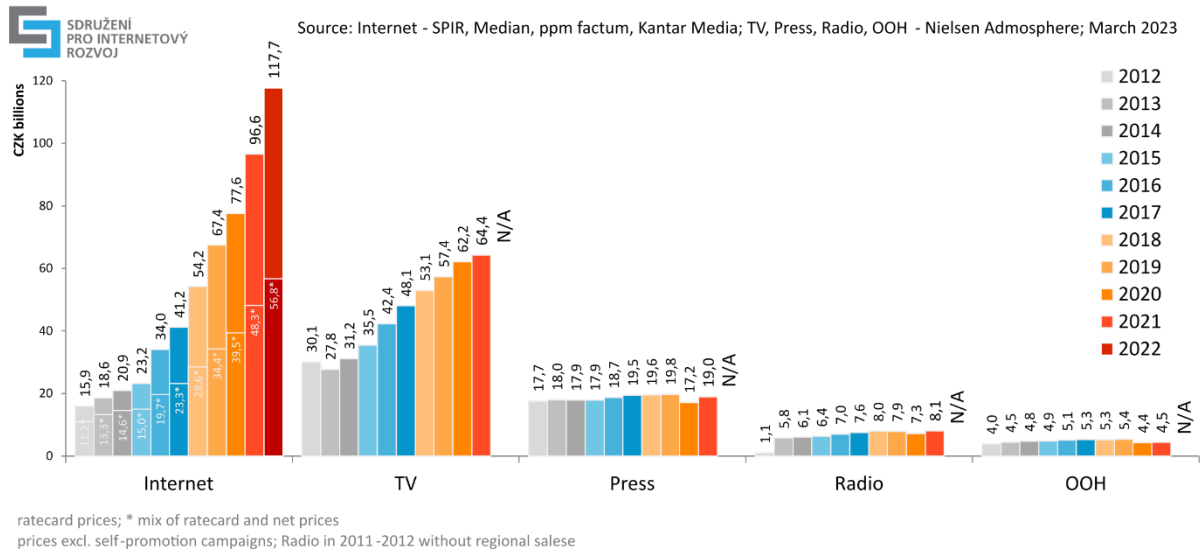


Chart 2: Development of price list value of advertising space according to media types, data for TV, Print, Radio and OOH are not publicly available for the year 2022 (marked as N/A in the chart)

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. All relevant media, social networks, search engines, platforms and their advertising networks operating in the Czech Republic are included in the aforementioned online ad spends. More details about the methodology used can be found at <https://www.inzertnivykony.cz>.

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