

# Facebook and Google Control Ever-Greater Portion of UK Ad Market

Duopoly share will grow to more than 63% in 2019

## ARTICLE |

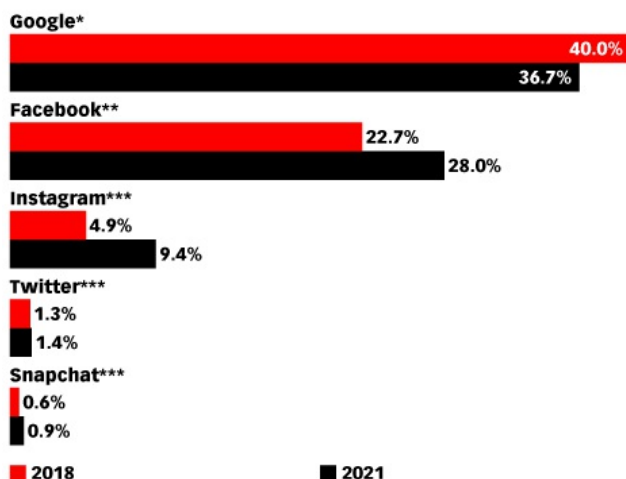
### eMarketer Editors

Not only will Google and Facebook continue to dominate in the UK, but their combined share of the digital ad market will also continue to rise. This year, it will reach 63.3%, up from 62.7% last year, according to eMarketer's latest UK digital advertising forecast.

"The duopoly's stranglehold on the UK digital advertising market is strengthening, with Brexit uncertainties being the main driver of this trend," explained eMarketer UK analyst Bill Fisher. "In the first instance, digital is attracting ad dollars because there is less friction in terms of moving spend into or out of it. That's something that cost-conscious ad buyers are particularly mindful of, given the current economic climate."

## UK Net Digital Ad Revenue Share, by Company, 2018 & 2021

% of total digital ad spending



Note: \*net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; \*\*paid advertising only; excludes spending by marketers that goes toward developing or maintaining a Facebook presence; includes Instagram advertising revenues; \*\*\*paid advertising only; excludes spending by marketers that goes toward developing or maintaining a presence on the platform  
Source: eMarketer, Feb 2019

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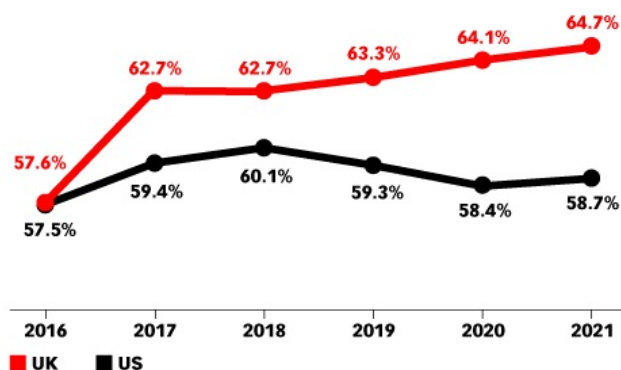
This year, the total UK digital ad market will grow more than 11% to reach £14.73 billion (\$19.64 billion).

Google will take a 38.8% share of the UK digital ad market, virtually unchanged from last year, equating to £5.72 billion (\$7.62 billion). And Facebook will take 24.5%, up from 22.7% last year, equating to £3.62 billion (\$4.82 billion).

Importantly, the companies' combined UK share (63.3%) is higher than their US share, which will be 59.3% this year. UK advertisers will cement the duopoly's dominance in the country over the next two years: By 2021, Facebook and Google will account for 64.7% of UK digital spending. That will happen even as Google loses share this year in the US—a trend that eMarketer expected the duopoly to experience in 2018 but was delayed thanks to better-than-expected Q4 results at Facebook-owned Instagram.

## UK vs. US Facebook & Google Combined Net Digital Ad Revenue Share, 2016-2021

% of total digital ad spending



■ UK ■ US

*Note: Facebook=paid advertising only; excludes spending by marketers that goes toward developing or maintaining a Facebook presence; Facebook advertising revenues includes Instagram advertising revenues; Google=net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites*

Source: eMarketer, March 2019

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“Facebook and Google offer advertisers unprecedented reach,” Fisher said. “This is something they will increasingly covet if budgets become stretched. It’s almost like a ‘safe haven’ for advertisers; somewhere they’ll feel comfortable allocating spend.”

Regarding other players in the market, Snapchat will still capture less UK ad share than Twitter in 2019 (0.7% vs. 1.4%, respectively), but will experience greater growth at 28.3% vs. 15.1%. Snapchat will reach £100.1 million (\$133.5 million) in ad revenues and account for 0.9% of the mobile ad market. It will surpass £150 million (\$200 million) by 2020.

Instagram will grow nearly 52% in 2019 in the UK, reaching £984.9 million (\$1.31 billion). This year, the platform will account for 6.7% of the UK’s digital ad market and 9.5% of the mobile market. It will surpass the £1 billion mark next year.