

TV Will See Some of the Steepest Declines in France and Germany Ad Spend

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Karin von Abrams

Across Western Europe, most traditional media will see severe cutbacks in ad spending in 2020, as the disruptive effects of the coronavirus pandemic continue. But TV will see some of the steepest declines.

Broadcasters in both France and Germany have seen a rapid increase in cancellations of ad campaigns across many industries in H1 2020. Some advertisers have less product to sell because of supply chain issues, while others are experiencing reduced demand due to efforts to contain the virus.

Delaying the 2020 UEFA European Football Championship until 2021 has also dealt a massive blow to TV broadcasters' plans for extra ad revenues this year, as has the postponement of the 2020 Summer Olympics.

In France, TV ad spending rose 0.5% in 2019, and we had originally estimated a similar rate of growth in 2020. But given the impact of the pandemic on key advertisers, among other factors, we now predict a decline of 13.5%. We expect that the decline in 2020 is temporary, and that investment will rebound by 7.5% next year.

Total Media Ad Spending in France, by Media, 2019-2024 billions of €

	2019	2020	2021	2022	2023	2024
Digital	€4.90	€4.93	€5.79	€6.52	€7.11	€7.65
—Mobile	€2.80	€2.97	€3.69	€4.18	€4.60	€4.97
TV*	€3.37	€2.91	€3.13	€3.33	€3.33	€3.34
Print	€1.79	€1.57	€1.49	€1.41	€1.32	€1.24
—Magazines**	€0.91	€0.79	€0.74	€0.69	€0.63	€0.59
—Newspapers**	€0.88	€0.78	€0.75	€0.72	€0.69	€0.65
Out-of-home	€1.38	€1.16	€1.27	€1.37	€1.40	€1.45
Radio***	€0.69	€0.62	€0.64	€0.65	€0.65	€0.65
Total	€12.12	€11.18	€12.33	€13.27	€13.81	€14.33

*Note: numbers may not add up to total due to rounding; *excludes digital; **print only; ***excludes off-air radio and digital*

Source: eMarketer, June 2020

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In Germany, TV ad spending has been slipping gradually since 2018. This year will be notably worse, though, with spend on TV ads shrinking by an estimated 11.5%. However, here too we are optimistic that some signs of recovery will appear in Q4.

In France, TV will claim more than one-quarter of total ad spend this year, a bigger slice than any other traditional media type. That share will shrink in 2021 and 2022, despite the expected rebound in the TV ad market.

TV ad spend in Germany will account for a substantially smaller slice of total spending than in France, at 21.8% this year. Print media still command much more attention in Germany than in France; for example, almost 19% of ad spending will go to printed newspapers in Germany in 2020—more than double their share in France.

To learn more about how the coronavirus is slashing millions from France and Germany's ad budgets, eMarketer PRO subscribers can read our recent report:

Report by Karin von Abrams Jul 01, 2020

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KARIN VON ABRAMS
CONTRIBUTOR, MARKET RESEARCH, STRATEGY

