

Retail Will Account for 20% of All Digital Ad Spending in the UK This Year

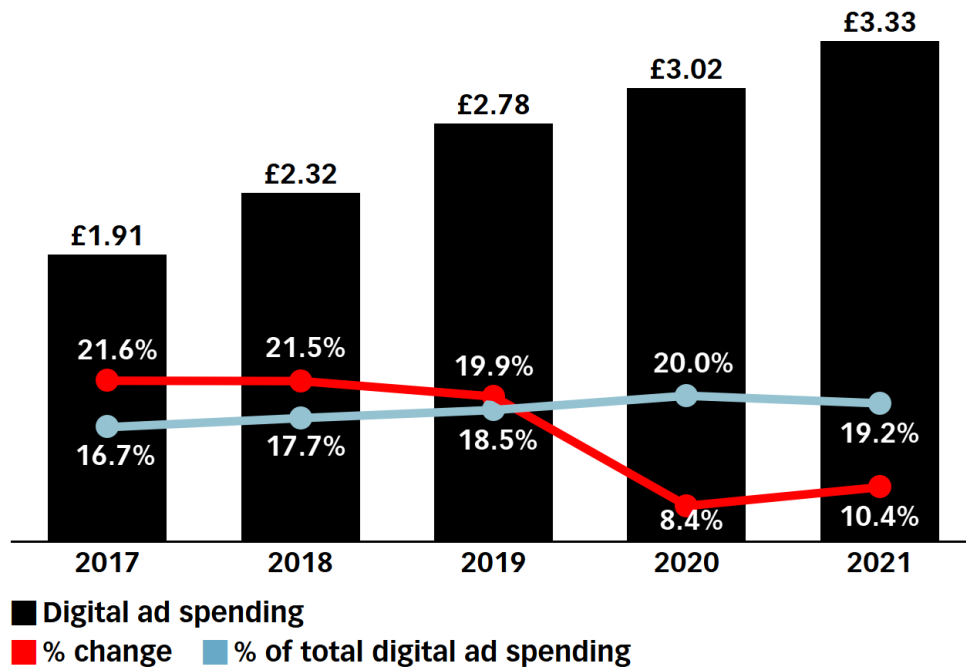
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eMarketer Editors

The retail industry will continue to be the biggest digital ad spender in the UK this year, and the lockdown has helped retail solidify its position. In 2020, UK digital ad spending in the retail sector will reach £3.02 billion (\$3.85 billion).

Retail Industry Digital Ad Spending in the UK, 2017-2021

billions of £, % change and % of total digital ad spending



Note: includes mail order/catalog, restaurants/fast food, drug stores, retail stores, cosmetics stores, and merchants of apparel, home furnishings/textiles, toys, pet food/supplies, appliances, jewelry and general merchandise; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms

Source: eMarketer, August 2020

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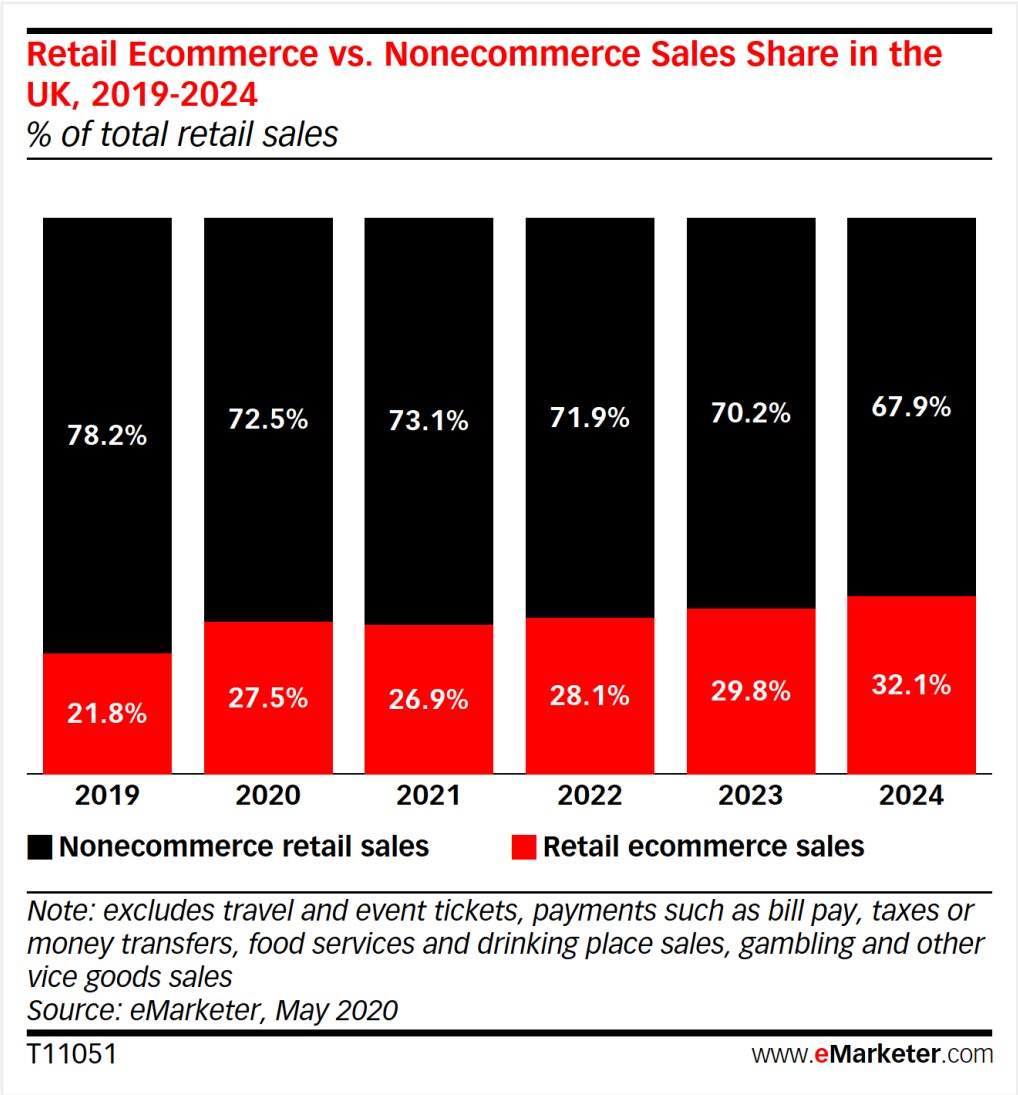
Retail digital ad spending will be up 8.4% from 2019 and account for a fifth of all digital ad spend in the UK this year.

“The pandemic has unequivocally altered the retail landscape in the UK,” said Bill Fisher, eMarketer senior analyst at Insider Intelligence and author of our recent report [“UK Digital Ad Spending by Industry 2020.”](#)

Retail businesses in the UK have had to expedite their shift to ecommerce in order to stay afloat in these uncertain times. “Many behavioral changes were initially forced on consumers, as they were left with little choice but to shop online for groceries and other products,” Fisher said.

Retailers that were heavily reliant on their physical locations have been dropping like flies throughout 2020—Debenhams, a UK high street department store staple, is the latest to report it's on the brink of going out of business. The list of closures grows almost daily.

Our forecast for retail ecommerce versus noncommerce sales share in the UK shows a rapid acceleration toward digital this year.



Retail marketers have acted accordingly: One in every five digital ad pounds spent in 2020 will come from the retail industry. The need for brands to follow this trend has become increasingly apparent throughout the pandemic.

In terms of where retail's ad spend will land in digital, per the CPG space, mobile and social advertising are areas where retail will be a particularly strong spender—77.1% of retail digital spend will be on mobile ads, while retail's social ad spend will account for 23.2% of all social ad spend in the UK.

For our latest forecasts on digital ad spending across the six largest sectors we track in the UK, eMarketer PRO subscribers can read our recent report:

Report by Bill Fisher Sep 24, 2020

UK Digital Ad Spending by Industry 2020

UK DIGITAL AD SPENDING BY INDUSTRY 2020

Pandemic Leads to Mixed Results as Retail Pulls Ahead and Travel Tanks

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BY BILL FISHER
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