

Western Europe marketers to favor search, retail media in tough economy

Article

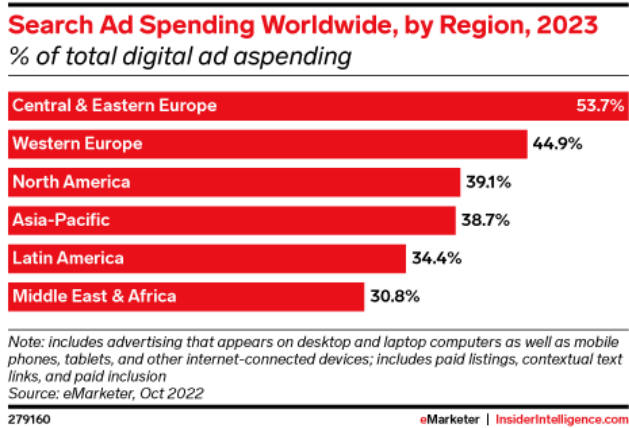
The prediction: Advertisers and marketers in Western Europe will increase their reliance on search ads and retail media this year as high prices force consumers to buckle down on

expenditures and focus on necessities.

Advertisers will scrutinize their budgets in exhausting detail amid fears of recession. Brands will have to justify pricing and deter shoppers from trading down, which means rethinking pack sizes, loyalty discounts, or product improvements to maintain price premiums.

Eye of the consumer: Bargain hunters seeking deals will go to search engines. Our forecast calls for search spending to rise faster than total digital ad spending.

- In Western Europe, digital ad spending will go up 8.9% in 2023, per our forecast. Search spending will top that at 9.2%.
- Across Europe, search will claim a higher share of digital ad spending in 2023 than in other regions.



Brands’ best friend: Retail media will be a godsend for brands that use it wisely. Potential benefits include better ad placements, digital promotions, and tapping into retailer loyalty programs and validated sales data. Brands that don’t take advantage of retail media opportunities will suffer.

Go further: For more on developments that are likely to affect the region this year, read our report, [Western Europe Trends to Watch for 2023](#).