

2020 vision?

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Drawing heavily on my GroupM crystal ball it seems that the new decade should fill us with hope in the media community, but it really does depend on which particular media niche you occupy.

Overall GroupM forecasts +6.7% in 2020 for the UK with a total market value of £24 billion.

This may be surprising given the seemingly endless political maelstrom and economic fears over the last few years but despite it all, a steady rise in total revenues has been consistent.

So who will be the winners and losers in 2020?

No one will be surprised to hear that the “royal we” forecast digital pure-play media (i.e,

excluding digital revenue associated with traditional media owners) will end 2019 +15% higher than 2018 and is expected to continue on a similar trajectory in 2020, +11% in our forecast.

In 2020, digital advertising will account for two-thirds of all media we track here – a staggering statistic in itself driven partially by the digital-first approach of giant tech companies such as Amazon, eBay, Netflix, Booking.com etc.

There are some “traditional” media sectors that are in rude health and maybe not so obviously, Cinema is likely to have enjoyed c. 9% growth in 2019 once the monies are all counted and due to the nature of film release schedules we predict 4.5% as a likely growth outcome for 2020. I lost count how many times cinema was predicted to be obsolete due to video rental, streaming services etc but they have managed not only to stay relevant and grow but also become a rare space where we immerse ourselves in a medium and a rarity in still attracting youth audiences.

Radio is another less obvious winner, weren't iPods and Spotify type platforms supposed to kill the medium years ago? Modest growth of 1-2% is predicted but when you have limitations on your inventory capacity that's not a bad outcome.

Out of Home is in even ruder health, with the acquisitions by Global and Ocean and the ever-present privately owned Decaux investing in the products the ongoing transformation to higher quality/higher revenue plant is inexorable with more automation taking root, including the emergence of performance-based targeting and data-driven trading we predict a +5% for 2020.

For TV we are likely to see a flat 2020, market factors such as the regulations on gambling have taken substantial revenues from the table and the pre-watershed HFSS challenges are also likely to have a negative effect. When you combine these challenges with declining 16-24 linear impacts it does not make for great reading. On the plus side, the rise of addressable TV pioneered by Sky Adsmart and in more recent years with our proprietary Finecast product providing a singular access to all broadcaster VOD bring not just hope for

reaching lighter viewers but also new income to the market from businesses with niche target audiences or where the entry-level of linear TV is simply inhibitive.

Finally the Print market, there will be no surprise that revenue estimates in print brands show a -9% decline, however, it may surprise you to know Newsbrands and magazines combined still take more revenue than Radio and OOH combined at 7.5% of total ad spend and in conjunction with associated online versions still provide a valuable asset to advertisers especially where long-form content is beneficial.

Overall let us hope it's a positive year for the industry in all its guises.

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