**105.5M Online Spend Increase**

Australia’s IAB recently reported that online advertising saw a $105.5 million spending increase in the third quarter of 2010, in comparison to the same time in 2009.

CEO of IAB Australia, Paul Fisher said:

Feedback from media agencies and advertisers indicates a continued and growing confidence in the online channel as an effective medium to reach, engage and influence consumers, and these expenditure figures demonstrate that investment is indeed following consumer behaviour – online.

Overall, online advertising spending growth was positive with general display seeing an increase of 26%, classifieds of 30% and search and directories by 18%.

Fisher also stated that media feedback indicated that this growth is set to continue as confidence in online and digital channels to reach and influence consumers is on the incline. The spending figures are following consumer behaviour online as well as keeping up with demand.

Thanks to the latest increase in expenditure, the online advertising industry is set to spend over $2.2 billion in 2010, putting them in a better position than ever in the total Australian advertising market.

Display advertising and classified advertising was said to account for 26.5% and 24.6% of the total advertising spending whilst other mediums made up the other 48.9%.

In general display advertising, email based made up $7.6 million of the advertising spending, which is an increase of 6% compared to the same time last year.

Dominant industries in the display advertising market include finance, vehicles, computers and communications as they made up 44.3% of the general display expenditure.

Motor vehicle manufacturers were the largest subcategory, although it was very marginally down in the second quarter of 2010 compared to the same time last year.

Real estate was found to be the largest category for classified ad spending, followed by recruitment and automotive.

The report by the IAB was said to have collected its advertising data from more than 1000 websites; it was managed by Pricewaterhouse Coopers.