

Association of Advertisers in Ireland – AGM 2016

Good afternoon everyone

I am pleased to say that in 2015 growth in advertising investment levels accelerated with an estimated increase of 7.8%. I would like to remind you that 2014 saw the first increase in advertising spend in seven years at 4.5%!

It's been a long time since we have been in a position to look forward to a year with so much optimism.

The economy has recovered remarkably well and seems to be growing at a rate that no one thought achievable even 12 months ago. We can also look forward to major events in 2016 which will contribute to economic and advertising growth – the 1916 celebrations, the European Soccer Championships with Republic of Ireland, Northern Ireland, England and Wales participating - and the Olympics and the Paralympics.

Looking to this year 2016, the Irish media industry can look forward to substantial growth, with every media category expected to benefit from the ongoing upturn in the economy. We expect even stronger growth this year of 10%, bringing the total for the year to €915 million. However, despite this strong turnaround, there is still some way to go before we reach pre-recession levels of investment, which peaked at just under €1.2 billion in 2007!

Advertising is disproportionately important to the economy – it stimulates consumer demand, promotes innovation, drives competition, enables the digital economy and encourages market growth. Innovation in media is vital because the role of communications is changing.

Consumers continue to be way ahead of organisations, advertisers and brands in their adoption of technology and new ways of doing things. A tipping point has been reached in terms of the ubiquitous use of mobile devices and the increased role of ecommerce in consumer's lives. Brands, products and services are going to have to change and adapt very quickly or they will be left behind. It is clear that mobile is going to become an increasingly important part of brands media mix and dominate into the future.

From an AAI perspective there have been a number of significant developments over the last year.

We continued the very successful **Toolkit Seminars Programme** in 2015 attracting over 300 from the industry over 7 key events.

I would like to thank Core Media for hosting these sessions – their support is fantastic and we really appreciate it.

Our **Economic Barometer**, based on the calendar year 2014, in conjunction with Nielsen and Jim Power was published in April in the Irish Times, IMJ, Marketing Magazine and other trade journals.

We also released a barometer for H1 2015 which also generated good media exposure and we will be briefing Jim for the next one shortly.

The last session of **“The Influencers”** took place in IDL Pernod Ricard in May and was very well attended. The purpose of this group is to enable younger brand managers to network and engage with the AAI in an appropriate manner.

In conjunction with Carat media and The Internet Advertising Bureau, we made a presentation on the media landscape to the **Code of Practice Working Group on Obesity** – this is the group that was established by the Minister for Health.

And with regard to the **ASAI code for food and non-alcoholic beverages**, I should single out both Catherine Bent and Barry for working so hard behind the scenes and negotiating favourably with the FDII and the ASAI to remove the UK Nutrient Profiling Model from non-broadcast media.

Barry was also invited by the **Joint Committee on Public Health** to participate in an open discussion in the Dail on the Public Health Alcohol Bill and this was filmed on Oireachtas TV.

The AAI are now registered as a Lobbyist in respect of the **Regulation of Lobbying Act 2015**.

2015 saw AAI continue its active involvement with other industry bodies and associations:

- The Advertising Standards Authority for Ireland
- The Audit Bureau of Circulation
- The Central Copy Clearance Ireland (trading as CopyClear since March 2014)
- Management Committee of the JNRS and the JNLR
- JICWEBS

In addition, we have met and will continue to do so with trade groups and organisations such as FDII, ABFI, The BAI, TV3, IBI, NewsBrands Ireland, IAB, Magazines Ireland and IAPI.

Our CEO was a judge on the Marketer of the Year Award sponsored by Marketing Magazine and Alternatives, and on a Love Irish Food Exterior Outdoor Media Awards initiative. He is also a judge on Media Agency of the Year in the Media Awards.

Finances

Overall the Association's finances remain in good order. While it is challenging to be a membership organisation in what remains to be a tough business climate, we are thankful of the support our members give us year on year. Barry & Kate Casey of Ulster Bank will take you through the finances shortly.

Looking Forward/Outlook

This year will be particularly busy and the AAI will continue to be inputting into the following areas with regard to **code introductions** within the regulatory environment:

- **The New Alcohol Code** – a draft bill is with the European Commission and AAI will be involved in ensuring that contributions from different organisations will be going to the Commission. AAI are working very closely with ABFI, IAPI and The WFA on this.

- **The Broadcasting Authority of Ireland General Communications Code Review** – a draft should be ready for consultation at Easter and ready for final launch October 2016, however this will need to dovetail with the alcohol bill so the exact timing for launch is TBC.
- **The Advertising Standards Authority for Ireland.** A revised section on Food & Non-Alcoholic beverages was launched on January 28th and this will need to be closely monitored. The new code came into effect on March 1st this year.
- **The Special Action Group on Obesity** – this is another voluntary code and the AAI are participating in the Code of Practice Working Group.

With regard to **General Initiatives for 2016**, the following areas have been identified:

- The appointment of our Vice-President, Louise Bannon and Kirsten Lyons as Hon Treasurer
- New appointments to the AAI Council which now comprises 16 members
- A continuation of the Deloitte Econometric Initiative and to closely examine the development of this project working with CJPJ to elevate this debate to another level – and to bring this to Europe. “The Definitive Guide to the Return on Investment Generated by Advertising”.
- To continuously look at an upgrade of the AAI website architecture so as to improve its usability and viability as a marketing platform.
- To implement the AAI business plan for the next 3-5 years focusing on new recruitment, the features and benefits of AAI membership.

Summary

I would like to take this opportunity to thank the members of the council for the time and commitment that they have devoted in the past year. Finally, I would like to thank Siobhan Bloomer and Su Duff for their valuable inputs throughout the past year in continuing to positively manage our Association. And to Barry Dooley in his role as CEO and for his assistance to me as your President in this regard.

That concludes my address. Thank you.