

Association of Advertisers in Ireland – AGM 2017

Good afternoon everyone

2016 saw the third consecutive year of growth in advertising investment levels in the Republic of Ireland. Total spend increased to €886 million, up 3.7% on the previous year. The increase in 2016 was behind original market forecasts; Uncertainty in relation to Brexit, Trump and domestic issues had an impact on business confidence, which fed into advertising budgets. As an FYI, Northern Ireland was hit harder, with ad spend down by 0.3% for the year.

Despite concerns both locally and globally, we are confident that overall media investment in 2017 will be in line with general economic growth in the Republic. We are forecasting an increase in advertising spend of 3.3% to €915 million in 2017. Within that Growth, we anticipate Digital to grow by 15% and Outdoor by 5%. However, in Northern Ireland, where the full brunt of Brexit uncertainty is being felt, ad spend is likely to fall by circa 2%.

For the media market, there are big trends that are affecting media markets globally and locally. The digital economy continues to grow rapidly, the ability of media through mobile devices to connect brands and commerce is increasing, the emphasis is moving from advertising to brand experience (mobile, web, social) and programmatic is becoming a real and dominant force.

The pace of change, the incredible array of opportunities for advertisers to connect their brands with consumers and the increased demands on measuring the impact of communications on business results means there has never been a more challenging yet exciting time to be working in this industry.



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 2016 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.

We launched a **Private forum for AAI Members'** questions on measuring return on investment for marketing.

In conjunction with Carat media and The Internet Advertising Bureau, we made further presentations 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 in September 2015.

Barry also represented the individual non-broadcast media owners and made a presentation on their behalf to this Code of Practice Working Group. This was a very important initiative as these media owners were not invited to participate in consultation with this group.

The final meeting for this working group took place on February 6th and a final version of this code is currently in circulation for agreement with the intention of this being submitted to the Minister. It should be noted, whilst a draft code might be close to finalisation, this will not be approved by AAI or Industry until guidance notes and details on Governance have been circulated for comments.

The timing on the release of this information is not known at present.

The 7th edition of the Advertising Standards Authority for Ireland (ASAI) Code came into effect in March 2016 and revised guidelines for the alcohol sector were introduced late last year. ABFI are not happy with sections of these guidelines (Derogation for PR photographs on owned media do not extend to video content) so these guidelines are likely to be challenged.

Further AAI participation in the **Media Literacy Education Project** is scheduled to take place when meeting dates have been confirmed by Safefood.



January 26th was the date for the launch of “**Marketing Multiplied**” which is a joint initiative of Core Media and the AAI. This is the first time a report of this scale has been published, anywhere in the world. The launch took place in the Convention Centre with over 300 delegates in attendance. A summary of the PR coverage is available and copies of the book as well. I would like to take this opportunity, on behalf of the council, to congratulate Barry on a great achievement here. It was a great success and a very appropriate association for the AAI. I would also like to thank Catherine Bent for representing the AAI by participating in the panel discussion.

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

2016 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 (recently re-launched as FDI), ABFI, The BAI, 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.

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. We 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 still 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.

This is also with the Attorney General for comments, however, there seems to be a lot of Political Pressure on this draft bill, so it could be in the AG's office for a while?

- **The Broadcasting Authority of Ireland General Communications Code.** The BAI have just launched their three-year strategic plan so it is expected that the new code will be launched early April.

- **BAI Children's Advertising Code/Legislation**
Consultation due to commence this year, new code expected to be launched 2018.

- **UK CAP Food & Soft Drinks to Children**
This was launched in December last year and comes into effect July 1st, 2017. It includes new rules which apply to media targeted at under 16's. These restrictions are in line with the EU Pledge.



With regard to **General Initiatives for 2017**, the following areas have been identified:

- The appointment of a new Vice-President to replace Louise Bannon and a new Hon Treasurer to replace Kirsten Lyons.
- 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.