**BTS NDRC – LVA OBLIGATOIRE 2024**

**Brands to spend record £9.5bn on Christmas advertising**

***Media inflation set to lift ad spend by 4.8% this Christmas, according to Advertising Association and WARC data.***

Advertisers are expected to spend a record £9.5bn this Christmas season, according to data from the Advertising Association and Warc, a 4.8% increase on the same period last year largely attributed in part to inflation.

Brands have upped the value of their investment in both emerging and traditional media. Broadcast video on demand, for example, is set to increase by 20.2%, while out-of-home will grow by 10.3%, and online display by 9.1% […]

Despite a record amount being spent, WARC says that much of the growth can be put down to inflation with real terms growth in the fourth quarter is forecast to be just 0.3%. “The market is effectively flat when measured at pre-Covid prices,” James McDonald, director of data, intelligence and forecasting at WARC tells Marketing Week.

However, Warc is optimistic the data also reflects that brands are “spending more because they see the benefits of Christmas advertising, particularly emotive display ads as well as performance marketing within retail media environments,” adds McDonald.

The Christmas ad season is set to be an even bigger boost to the advertising industry than usual. Performance in the fourth quarter will add £430m to 2023’s total market value – for the first nine months, that figure is £486m, meaning the festive season is accounting for 47% of all growth this year, according to AA/Warc.

“The rise is broadly in line with – if not a little ahead of – what would be expected based on current economic conditions,” says McDonald.

It seems brands are going earlier with their Christmas ads each year, and with good reason – almost half (48%) of adults say festive ads help them with gift ideas, while 70% of those ages between 25 and 34 say Christmas ads are the ‘ultimate festive mood booster’.

The likes of Aldi, Asda and M&S have led the charge in revealing their Christmas ads early this year. Aldi’s offering, a Willy Wonka parody with Kevin the Carrot, is so far the victor when it comes to ad effectiveness, according to System1.

Aldi has scored the highest possible score, 5.9 stars, while M&S Food, Sainsbury’s, Vodafone, Coca-Cola and Boots all scored above 5 stars.

**Molly Innes**, marketingweek.com,9 Nov 20