

# The online advertising market in Switzerland

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## Key findings

- This study examines the Swiss online advertising market. It shows how advertising expenditure is distributed and the stakeholders involved in the value chain of different forms of advertising.
- The study is based on a survey of advertising clients (N=81) and Swiss online advertising agencies (n=25). The advertising client contacts were provided by the ASA, while the agencies were selected from interviews with advertising clients and from our own research.
- The survey was a combination of face-to-face interviews and an online survey.
- Online advertising accounts for 25 per cent of the marketing budget and 43 per cent of the advertising budget of Swiss advertising clients.
- In the budget for online advertising, around 73 per cent is attributed to media costs, while the creative and technical aspects of online advertising make up 15 per cent and 5 per cent of the budget respectively.
- Within online advertising, display advertising accounts for 36 per cent of online media spending, search engine advertising for 29 per cent, video advertising for 18 per cent and social media advertising for 9 per cent.
- The total volume of the Swiss online advertising market is likely to be higher than estimated by Media Focus and the Media Research Group, but lower than estimated by PwC; between CHF 1.5 billion and CHF 3 billion.
- The share of Swiss value creation through online media spending is at least 30 per cent.
- Agency fees account for around one quarter of online advertising expenditure. The amount of these fees varies greatly according to the form of advertising.
- Advertising materials, email marketing, social media campaigns and analyses are also often created in-house.
- In addition to support from media agencies, some advertising clients have direct contact with marketers and platforms (e.g. a Google business account).
- Swiss marketers dominate direct bookings in display and video advertising, while Google dominates in programmatic bookings.
- International platforms usually provide the technical infrastructure for programmatic bookings, although they can also be displayed on Swiss publishing platforms.
- Search engine and social media advertising (together 39 per cent) take place on the respective platform (e.g. Google or Facebook); Swiss publishing platforms are excluded from the value adding process.
- Audio advertising, influencer marketing, native advertising and email marketing only account for a small share.
- Explicit requirements to work together with Swiss partners are rare, yet there is a strong preference for partners with knowledge of the Swiss market.
- Advertisers and media agencies are faced with the dilemma of balancing the performance they want to achieve from advertising with the desire to also support domestic providers.