

UK IAB to 'guestimate' Facebook revenues for next online adspend study

Thu, Sep 2, 2010 | Posted by [Philip Buxton](#)

The [UK Internet Advertising Bureau \(IAB\)](#) is to guestimate the advertising revenues of Facebook for its next online adspend figures.

The trade body and its research partner on the study, PricewaterhouseCoopers, are working with digital media agencies including Isobar and Group M to model the social network's ad revenues so it can present as accurate a picture as possible of digital ad spend in the first half of 2010, due in October.

[IAB_to_model_Facebook_display_ad_revenues1 UK IAB to 'guestimate' Facebook revenues for next online adspend study](#)

Facebook is known to account for a large portion of display spending in the UK (and elsewhere) but it is not currently one of the more than 300 media owners that supply its revenues to the IAB to compile the study.

The IAB is keen to beef up the amount of display spend represented in the figures since it is paid search that continues to account for both the bulk of total spend and growth in the sector. Display advertising is seen as the area ripest for new growth as long as advertisers can be persuaded to use it as something other than a direct-response mechanism.

[Tim_Elkington UK IAB to 'guestimate' Facebook revenues for next online adspend study](#)

Speaking at a recent Guardian digital event for client advertisers, IAB head of research Tim Elkington said it lamented the degree to which display was not given due credit for its role in delivering online sales higher up in users' routes to purchase.

The role of display for traditional brand awareness and perception has long been a key issue for the IAB to tackle since the format has become commoditised thanks to comparison with more successful channels for direct, sales-focused advertising, primarily paid search.

[A recent study](#) by the IAB examined the campaigns of three airlines to discover that display ads do increase the likelihood of conversion through 'last-click' routes like paid and natural search.

Elkington said discussions with Facebook about contributing formally to the study were ongoing and positive and agreed that modelling its revenues might help persuade the company to participate.

He added there had been discussion with the media agencies helping in the task about whether Facebook ads actually constituted search advertising since they are targeted against keywords in users' profiles. However, it is most likely they will be treated as display due to the format of the ads.