Discussant Remarks on ISIC 7310 Advertising

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HIGHLIGHTS FROM THE PAPERS

Trends and issues of advertising

Shift from traditional to digital advertising
Media Advertising in Finland in 2018 (total 1,2 M€)

- Digital advertising: 34%
- Newspapers, printed: 26%
- Television: 19%
- Magazines, printed: 6%
- Outdoor advertising: 5%
- Radio: 5%
- Exhibitions: 4%

Source: Kantar TNS, IAB Finland
How can we keep up with the change?
HIGHLIGHTS FROM THE PAPERS

Trends and issues of advertising

- Shift from traditional to digital advertising
- Globalisation
EFFECTS OF GLOBALISATION ON ADVERTISING

Growth of exports

Multinational enterprises which provide services to their affiliated units → Transfer pricing
HIGHLIGHTS FROM THE PAPERS

Trends and issues of advertising

- Shift from traditional to digital advertising
- Globalisation
- Measurement of output
Measurement of Output – Net vs. Gross vs. Mix

• “Identifying which of the business models is prevalent in a national industry is essential for the accurate measurement of turnover of the industry.”
  SPPI manual

• “To ensure that an SPPI can be used as a suitable deflator in the national accounts, it is imperative that the billing method used is determined and matched to the turnover that is collected.”
  Pegler, K., Borstel, J. and Jenkins, C. 2011. Quality Adjustment paper on: ISIC 7310 Advertising
HIGHLIGHTS FROM THE PAPERS

- Trends and issues of advertising
- Shift from traditional to digital advertising
- Globalisation
- Measurement of output
- Classification
OVERLAP WITH OTHER INDUSTRIES

Programmatic advertising involves several industries: advertising, publishing, and IT service activities

→ Classification issue?
Time for discussion