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Two thirds of people living in top digital markets will own a smartphone by 2018

66.5% of individuals in key digital markets will have a smartphone by the end of 2018, according to the *New Media Forecasts* report from ZenithOptimedia, published today. In 47 leading countries* smartphone penetration rose from 41.6% in 2013 to 49.5% in 2014, and it will reach 55.7% this year.

This fourth edition of ZenithOptimedia's annual *New Media Forecasts* report provides snapshots of the current state of digital marketing in 47 countries, covering topics such as internet access, media consumption and online behaviour, and forecasts the rise of internet connections and smartphone and tablet technology.

Asia Pacific and Western Europe lead smartphone and tablet adoption

Smartphone adoption is highest in Asia Pacific and Western Europe, and we expect these regions to maintain their lead for the next few years. Of the 47 markets studied, Singapore has the highest level of smartphone penetration, at 89.0% at the end of 2014, and we think this will leap to 97.0% by 2018 as the government pushes ahead with its plan for universal Wi-Fi access. Spain and Ireland follow close behind, with 86.7% and 83.0% penetration in 2014 respectively. The other top ten markets are also all in Asia Pacific and Western Europe: South Korea, Norway, Japan, Austria, Sweden, the Netherlands and Hong Kong. Switzerland, Australia and Denmark are predicted to enter the top ten by 2018, at the expense of Japan, Sweden and the Netherlands.

Tablets are also growing in popularity: across our 47 countries, penetration rose from 5.3% in 2012 to 14.8% in 2014, and we forecast it to reach 19.8% in 2018. Hong Kong tops the ranking of highest-penetration markets for tablets, with 77% penetration in 2015, which we expect to increase to 91% in 2018. Our smartphone champion Singapore comes second for tablet penetration, with 64% penetration in 2014 and 82% expected in 2018; the Netherlands takes third place in both years, with table penetration growing from 58.3% to 75.0% over the period.

Internet user growth is slowing down

The growth of global internet users is slowing down. In our 47 top markets we estimate there will be 1.9 billion internet users at the end of 2015, representing about 60% of all internet users across the world, and 3.9% more than there were at the end of last year. The annual rate of growth has fallen from 7.9% in 2011, when there were 1.5 billion internet users in these markets, and we expect it to drop to 2.5% in 2018, when there will be 2.0 billion users.

The top market for internet penetration is South Korea, where access is universal and has been since 2011. Close behind we find a clutch of northern European markets such as Denmark (98% penetration in 2014) and the Netherlands (96.7%), which have relatively small and tech-savvy populations. In all, seven markets in our report enjoyed internet penetration above 90% by the end of 2014: South Korea, Denmark and the Netherlands, plus Norway, Switzerland, Finland and Sweden. By the end of 2018, we think that 15 of our 47 markets will enjoy more than 90% penetration.

We forecast South Korea to remain the top market for internet penetration in 2018, while Argentina and Estonia enter the top ten rankings, displacing Singapore and Ireland, which in 2014 were in eighth and ninth place respectively.

“The rapid spread of mobile technology is transforming media consumption and marketing communication across the world,” said Jonathan Barnard, ZenithOptimedia’s Head of Forecasting. “For more and more people, their smartphone or tablet is the first place they look for information or entertainment. Marketers need a mobile-first approach to communicate with these people effectively.”

*The 47 countries covered in the *New Media Forecasts* are Argentina, Armenia, Australia, Austria, Belarus, Brazil, Canada, Chile, China, Colombia, Czech Republic, Denmark, Ecuador, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Ireland, Italy, Israel, Japan, Kazakhstan, Latvia, Malaysia, Moldova, Netherlands, New Zealand, Norway, Pakistan, Portugal, Russia, Singapore, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Turkey, Ukraine, UK, USA and Venezuela.

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About ZenithOptimedia

ZenithOptimedia - www.zenithoptimedia.com - is a leading global media services network with over 7,500 people working in 262 offices across 74 countries. We are part of Publicis Groupe [Euronext Paris FR0000130577, CAC 40], the world's third largest communications group, and the world's second largest media agency group. As the first agency to apply a rigorous and objective approach to improving the effectiveness of marketing spend, ZenithOptimedia delivers to clients the best possible return on their communications investment. This philosophy is supported by a unique approach to strategy development and implementation across the full spectrum of paid, owned and earned contact points – the Live ROI planning process. The ZenithOptimedia Group of companies equips our clients with a full range of integrated skills across communications planning, value optimisation, performance media and content creation. Our key clients include Aviva, Clarins, Coty, Kering, Lactalis, L'Oréal, LVMH, Nestlé, Oracle, Reckitt Benckiser, Richemont Groupe, SCA, Sanofi, Toyota and 21st Century Fox.

About ZenithOptimedia's New Media Forecasts

The fourth edition of the *New Media Forecasts* provides snapshots of the current state of digital marketing in 47 markets, covering topics such as internet access, media consumption and online behaviour, and forecasts the rise of internet connections and smartphone and tablet technology. We touch on developments in e-commerce in each market and look at how technologies such as programmatic buying and mobile are transforming the marketing and communications industry.

The report is published annually, and costs £395. It may be ordered in hard or soft copy from www.zenithoptimedia.com.