



# Market Report

A Snapshot of your Marketing Sector

## Digital Media

This pack has been designed to provide information on setting up a business in the **Digital Media** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **April 2026**.

## What do I need to know about the digital media market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ As buyers shift towards digital advertising, advertising agencies are now required to shift their business plans to fit their customers' needs. Digital advertisements may serve to increase specialization within the advertising industry, reducing buyer power as only select advertising agencies can provide these specialized services. Customers in this industry are not typically loyal. Due to the low switching costs, buyers can select from a wide range of options from a range of advertising agencies, thus increasing buyer power. (GlobalData Explorer, *Advertising in the UK*, December 2025, *This content is reproduced under license from GlobalData PLC, Copyright 2026*).
- ◆ The UK digital advertising market recorded revenues of **\$40.1 billion** in **2024**, representing a compound annual growth rate (CAGR) of 14.8% between 2019 and 2024. In comparison, the French and German markets grew with CAGRs of 13.9% and 7.3%, respectively, to reach \$12.4 billion and \$14.1 billion in 2024. (GlobalData Explorer, *Digital Advertising in the UK*, December 2025).
- ◆ Entering the UK digital media market is **becoming increasingly challenging for smaller companies**. Large companies are securing contracts with record labels and video producers, allowing major players like Netflix and Spotify to dominate the video and music segments, respectively. Additionally, major online retailers like Amazon are leading in online traffic for e book sales, making the market difficult to enter for new market players. (GlobalData Explorer, *Digital Media in the UK*, December 2025).
- ◆ Social media's influence in the United Kingdom continues to grow, with **55.5 million active users** as of February 2025, representing 79.7 percent of the population. This penetration rate surpasses the global average of 68.7 percent, positioning the UK as a leader in social media adoption. The country's high usage reflects a broader trend of increasing social media engagement worldwide, particularly in Northern and Western Europe. (Statista, *Social Media Users in the United Kingdom*, April 2026).
- ◆ In 2024, paid search was the largest digital advertising format in the United Kingdom (UK), accounting for 47 percent of total digital ad spend, followed by video display with 23 percent and standard display with 13 percent. In total, digital advertising generated 35 billion British pounds in the UK in 2024. (Statista, *Digital retail media advertising in the United Kingdom*, 2025).
- ◆ The national organisation for this industry is [The British Interactive Media Association](#). Other industry bodies include the [Digital Media Association](#), the [Advertising Association](#), the [Creative Industries Council](#), the [British Film Institute](#), [Ofcom](#) and [Creative Scotland](#).

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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **GlobalData Explorer - Advertising in the UK (December 2025).** The competitive landscape of the UK advertising industry is dominated by global agency groups, such as Omnicom, Publicis, and WPP, which compete primarily on integrated creative, media, and data-driven capabilities. These players leverage broad service portfolios, advanced analytics, and digital expertise to serve large domestic and multinational clients. Competition is intensifying as agencies focus on end-to-end solutions, technology-led offerings, and specialized capabilities to differentiate and maintain their positions within the industry.
- ◆ **GlobalData Explorer - Digital Advertising in the UK (December 2025).** The mobile segment accounted for the market's largest proportion in 2024, with total revenues of \$24.7 billion, equivalent to 61.5% of the market's overall value. The desktop segment contributed revenues of \$15.4 billion in 2024, equating to 38.5% of the market's aggregate value.
- ◆ **GlobalData Explorer - Digital Media in the UK (December 2025).** The performance of the market is forecast to decelerate, with an anticipated CAGR of 6.8% over 2024–29, which is expected to drive the market to a value of \$17.4 billion by the end of 2029. Comparatively, the German and Spanish markets will grow with CAGRs of 6% and 7.7%, respectively, to reach \$10.7 billion and \$4.2 billion in 2029.

There are also a number of online resources you may find helpful:

- ◆ **PwC - UK edition: Entertainment & Media Outlook 2024-2028.** This resource provides five-year projections of consumer and advertising spending data across 14 segments and 53 territories. ([www.pwc.co.uk/industries/technology-media-and-telecommunications](http://www.pwc.co.uk/industries/technology-media-and-telecommunications)).
- ◆ **Deloitte Insights – Digital Consumer Trends 2025 (UK Edition):** points to a complex digital landscape, amid shifting media habits, apathy towards networks, the rise of de-digitisation and growing concerns around trust, data privacy and online safety. (<https://www.deloitte.com/uk/en/Industries/tmt/research/digital-consumer-trends.html>).

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please contact us on [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) ["Find a Chartered Accountant"](#) tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk ["Licence Finder"](#) tool

Law Society of Scotland's ["Find a Solicitor"](#) tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by: Liesel**

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