

august 2022

digital advertising & ad tech industry talent review.

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why?

The first wave of this research was produced in 2021 as, although the digital advertising industry has had a long experience of measuring the revenue generated by the industry and its economic impact in Australia, there has been less information on the people employed and supply/demand in relation to talent.

With the current high demand for talent continuing, IAB Australia has worked with its members to understand the current profile of people employed in the industry, job vacancy rates, impact of changes to visas, market training requirements and more. Data for this 2022 research was collected in July 2022.

The aggregated industry data provides important insights that will be used to develop training, support and diversity programs for the industry.

how?

The IAB issued a survey to eligible IAB members to fill out with both quantitative and qualitative responses in relation to their business in June 2022. All data supplied to the IAB remains confidential and is presented in aggregate form only, supported by unattributed quotes.

who?

The information in this report was gathered from 45 ad tech and media owners in the Australian market and relates to people in commercial roles, client support, ad operations, trade marketing, insights, research, analytics, data, ad product, programmatic, engineering, technical development and support roles. The sample looks at people employed in a role directly linked to digital advertising.

Although the sample is not exhaustive it is deemed representative of the wider industry.

job functions and state distribution.

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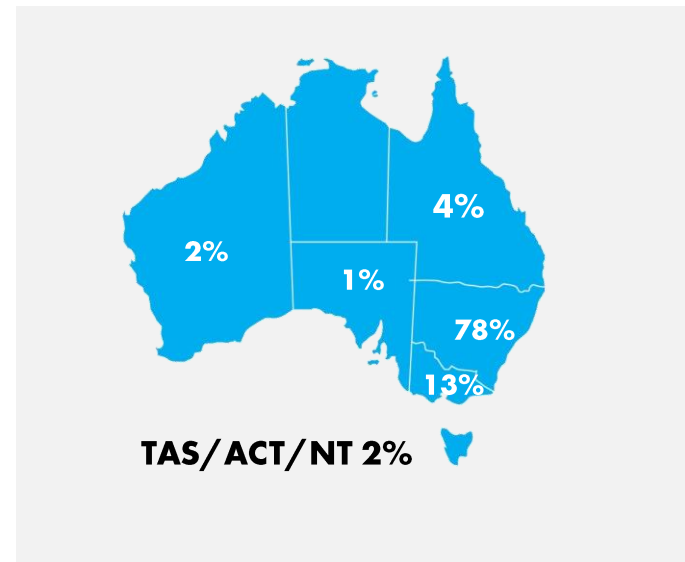
impact of talent shortages

additional resources

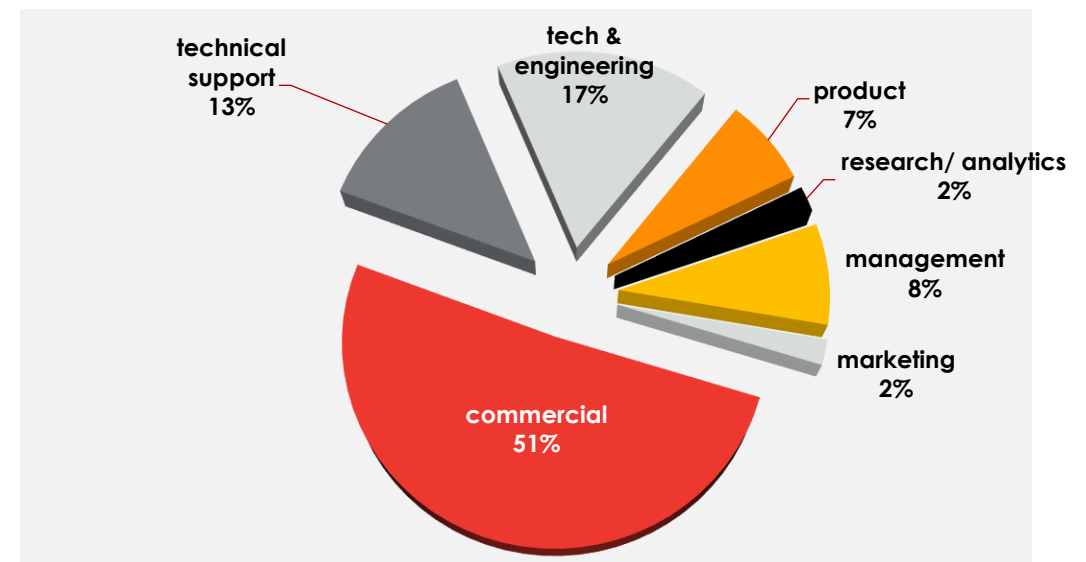
Over three quarters of employees in the digital advertising and ad tech sector are based in NSW, with Victoria being the only other state that has a significant representation of people employed by the industry. The population measured in this report is for people in roles directly related to digital advertising (commercial, technical, support, etc.) and it is expected that media owner's staff in programming and editorial roles would be somewhat more equally distributed across the states. 2.4% of the digital advertising population is currently on an Australian work visa down from 3% in 2021.

Just over half of the roles in the industry are classed as commercial roles (sales and client management focused). Organisations that have headquarters based overseas tend to have an even higher representation of commercial roles within their organisations. For smaller organisations there may also be some combined job roles but for the purpose of this research they have been allocated to their primary job function.

employee distribution by state



job role distribution



job vacancy rate.

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The industry job vacancy rate has increased again in 2022 to reach 11.8%, 2% points higher than in September 2021 when the market was already suffering a severe talent shortage.

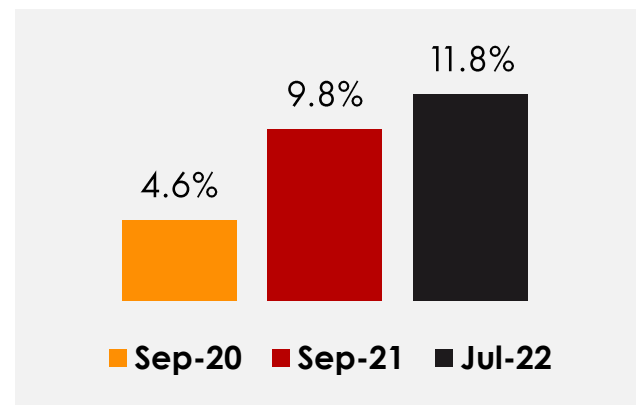
The combination of strong market growth, changes in visa rules, lack of new talent entering the market due to border restrictions and entry of new large local and global players in the Australian market has created a critical squeeze on talent availability as well as an increase in the cost of talent.

Compared to vacancy rates in 2021 where there was a fair amount of consistency across companies, in 2022 organisations tended to fall into three buckets; 1) no vacancies, 2) vacancy rates sitting around 5-7% and 3) high growth organisations with significantly higher vacancy rates. The companies that have high vacancy rates tend to be in a high growth mode with brand new positions.

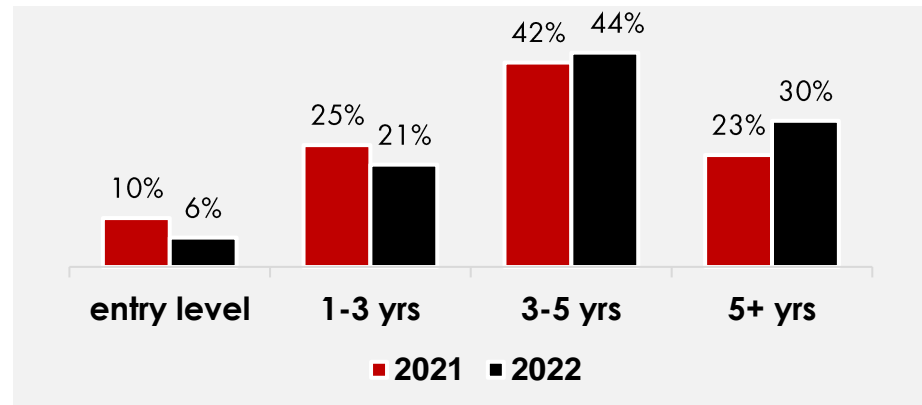
Although global tech layoffs have not had a major impact on the local ad tech industry at this point, the increase in companies with no vacancies suggests that the vacancy rate may have peaked.

The most competitive sector of the market is for people with 3-5 years experience. Compared to 2021 there is a slightly stronger demand for people with 5+ years experience, however overall, 70% of the open roles are ideally suited for people with five or less years experience.

industry vacancy rate



industry vacancy rate composition by experience



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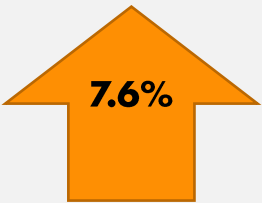
salary increases, future plans & offshoring.

The average salary increase over the last twelve months was 7.6%, this rate varies significantly across roles and companies with some companies having to increase their average salary up to 20%.

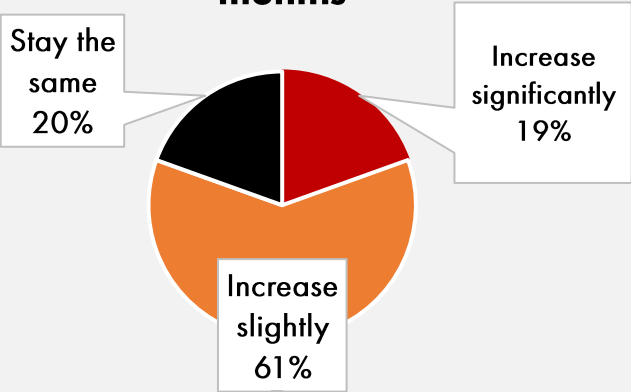
The number of companies that have increased offshoring roles or work has decreased from 28% last year to 16% this year.

“Certain media owners and publishers paying over the odds for most roles causing an industry vacuum. Candidate expectations with such little experience of job title and salary as a result of this.”

average increase in salary over last 12 months



companies expected change to employee numbers in the next 6 months



gender representation.

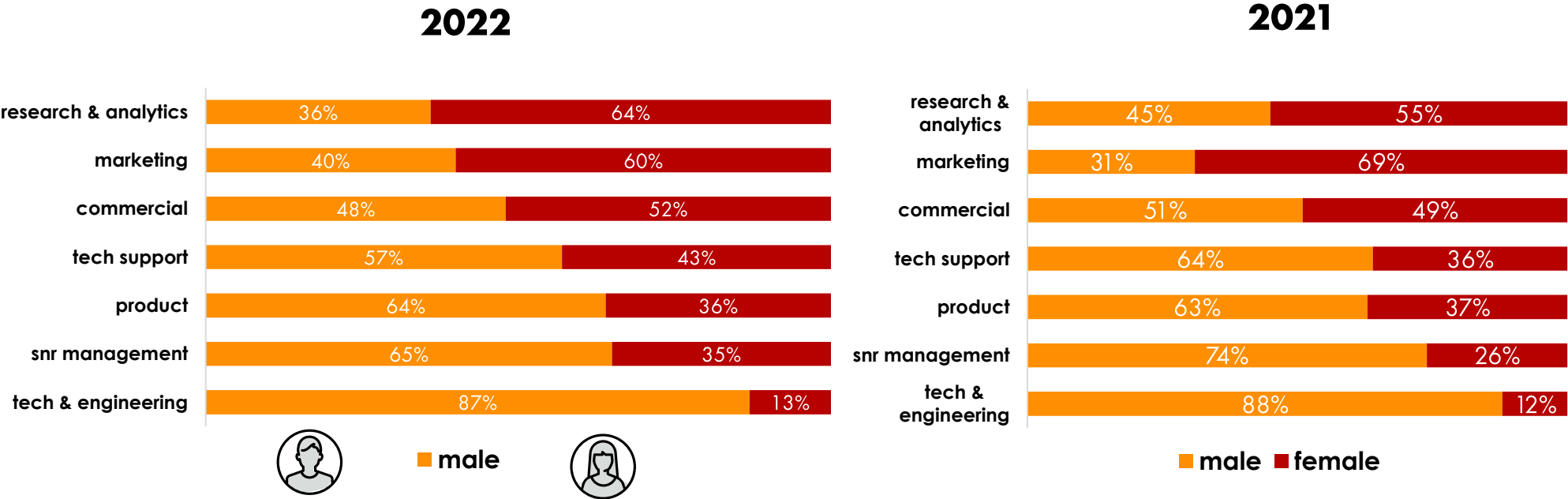
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Although in commercial roles (which represent 51% of industry headcount) the gender split is fairly even, the picture is quite different in other roles. Encouragingly there has been an increase in women holding senior management roles (up from 26% to 35%) however this is obviously still well below parity. Within the industry there has been significant promotion of internal talent and while this is helping with diversity and retention there are many new leaders looking for additional support and training for their new roles.

Technical and engineering roles are the most skewed towards male employment with nearly nine in ten being held by men. Male representation drops to 57% for technical support roles.

gender representation

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policies.

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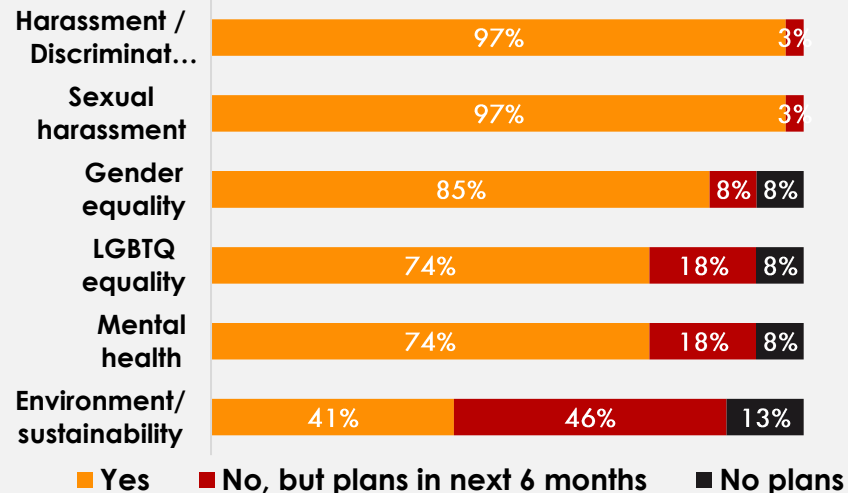
additional resources

Most organisations in the Australian digital advertising industry have formal policies for a wide range of issues impacting their staff. We have seen positive increases in the number of organisations with sexual harassment policies over the last year however, as a number of smaller organisations enter the industry, we have seen a slight dip in some other policies including mental health and LGBTQ equality.

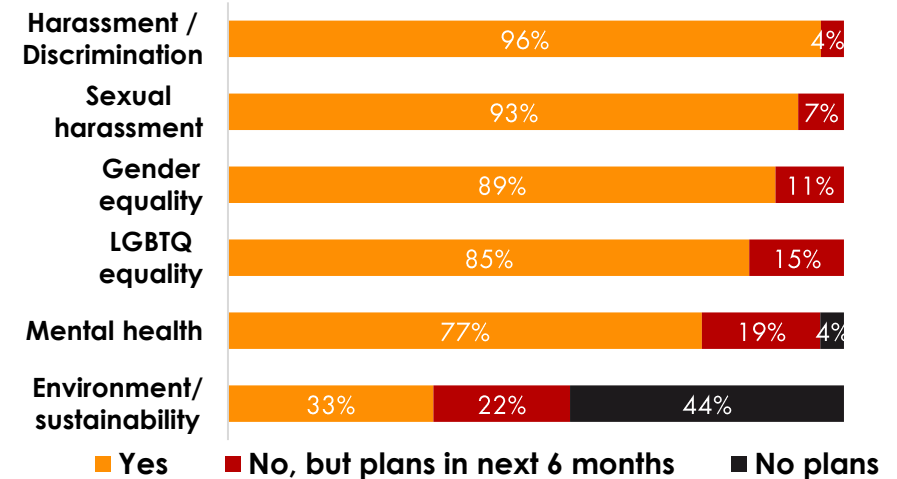
Although environmental/sustainability policies are not directly related to talent management, it has been included in this review as it is increasingly a consideration for in-demand staff when considering employers of choice. There has been a significant uptick in companies either introducing or planning to introduce sustainability policies and initiatives in 2022 with only 13% of companies indicating that they have no plans in this space.

formal policy, support program or code of conduct in place

2022



2021



in demand roles.

Below are the job roles that digital advertising and ad tech companies in Australia are finding the most difficult to fill currently.

Roles with High Demand (in order of demand)	
Sales / Account Management	The gap between sales & other roles has increased in 2022 vs 2021
TechOps/AdOps	
Traders	
Tech Support	
Software Engineers	
Product Managers	
Performance Marketing	
Data & analytics specialists / scientists	

"Finding quality, qualified digital sales and tech ops has been difficult this year."

"We are now recruiting very junior sales roles to develop talent internally."

managing the talent shortage.

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Recruitment Challenges

Inflated Salaries

Long recruitment periods

People walking away from offers/contracts

Aggressive competitor poaching

Low volume of applicants / no talent

Virtual recruiting – hard to assess personal skills

People not wanting to work onsite

“Filling a role takes roughly 2-3 month hence that is 2-3 months that we have to have other teams be stretched. Its also a big risk for revenue aside from the fact that it takes a lot of time to interview and hire employees. Then we after that we still have roughly 2-3 months of onboarding. Before you have someone up and running you have to account for at least 6 months.”

“Inflated salaries has made it competitive in acquiring, and at times retaining staff.”

“Competitive talent market with less supply. The interview process in post Covid world is more complex - less accurate to detect interpersonal and communication strengths.”

“We've seen an increase in candidates not accepting roles or withdrawing from the process, especially if we aren't moving quickly enough.”

Steps in Place to Deal with Shortage

Use of recruiters

Offshoring

Headhunting

Increased perks / flexibility

Leveraging global teams

Internships

More networking

impact of talent shortages.

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Impact of talent shortages

Unable to onboard new clients

Slower growth and loss of revenue

Stress on existing staff and low morale

Junior staff promoted too early

Increased off shoring

International companies reviewing investment in AU due to high staff costs

Reduction in quality of service

Longer recruitment times

In 2021 the results indicated stress on existing staff as the major issues and while this is still coming through strongly in 2022, there has been a major increase in the number of companies indicating that inability to find talent has had a significant impact on revenue and ability to grow their business.

"Seriously restricting the speed of growth."

"We're doing more aggressive direct head hunting now."

"Wider APAC team and our US counterparts helping to plug the gaps."

"Making it harder to grow revenue and offer the same quality of service."

"Offshoring roles, both to employees in other markets and to contractors."

useful resources and current initiatives.

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IAB Australia
Mentorship Program



IAB Training
Programmes