

july 2023

**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.

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/July 2023. 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 44 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.

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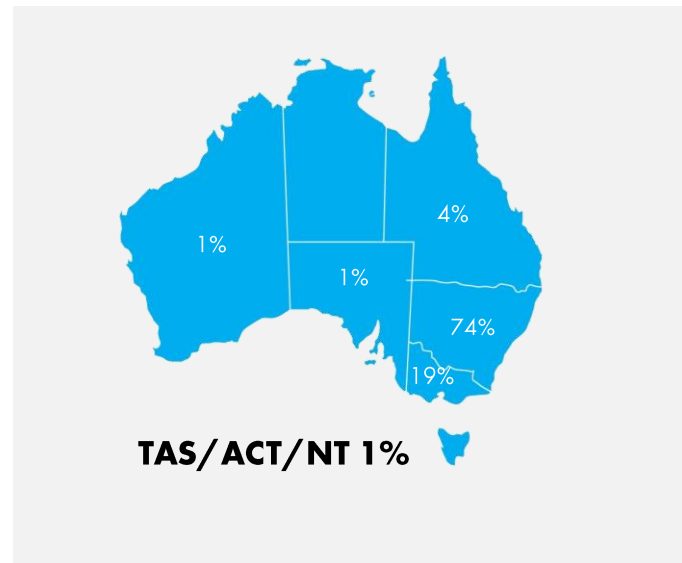
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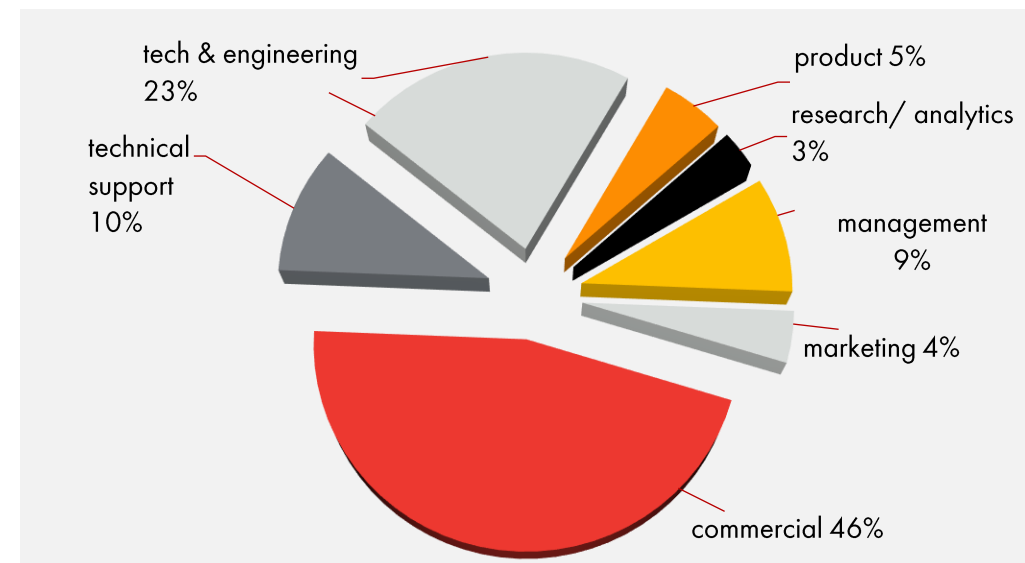
Nearly three quarters of employees in the digital advertising and ad tech sector are based in NSW, with Victoria being the only other state that has a significant representation of people employed by the industry. The population measured in this report is for people in roles directly related to digital 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. 5% of the digital advertising population is currently on an Australian work visa up from 2.4% in 2022 as borders reopen.

Approaching 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 companies 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



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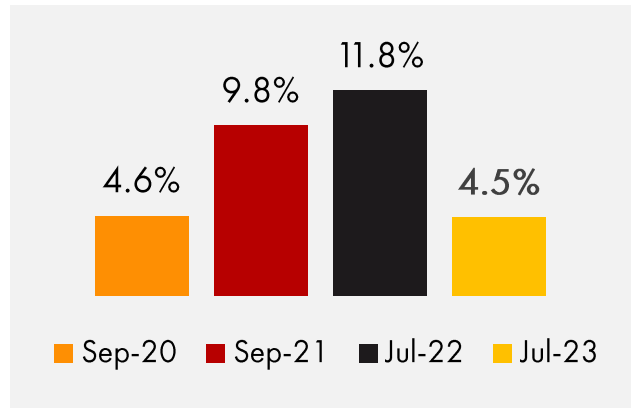
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The industry job vacancy rate has dropped dramatically over the last twelve months, with a peak of 11.8% in July 2022 and dropping to 4.5% in July 2023. This rate closely reflects the market in September 2020 when we were in the midst of COVID lockdowns and organisations were being conservative in relation to onboarding new staff.

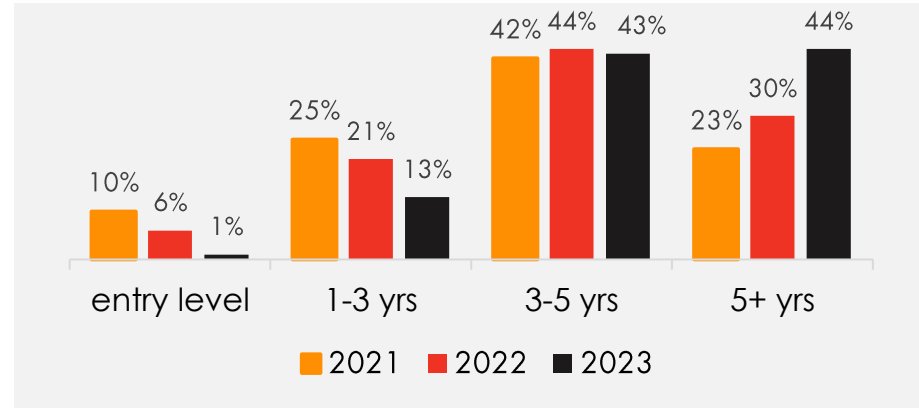
Last year 27% of the job openings were for people with three years or less experience, this has dropped to 14% and demand for entry level employees is very low. For the smaller pool of job vacancies currently available the focus is on more experienced and commercially driven leaders.

When this report was published last year, the impact of the global tech company layoffs was not a major factor in the market but since there has been broad reaching layoffs across both local and global players. Many organisations currently have hiring freezes in place particularly for non-commercial roles.

industry vacancy rate



industry vacancy rate composition by experience



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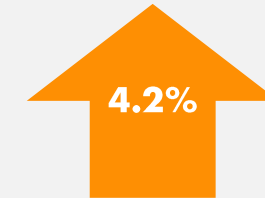
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salary increases & future plans & offshoring.

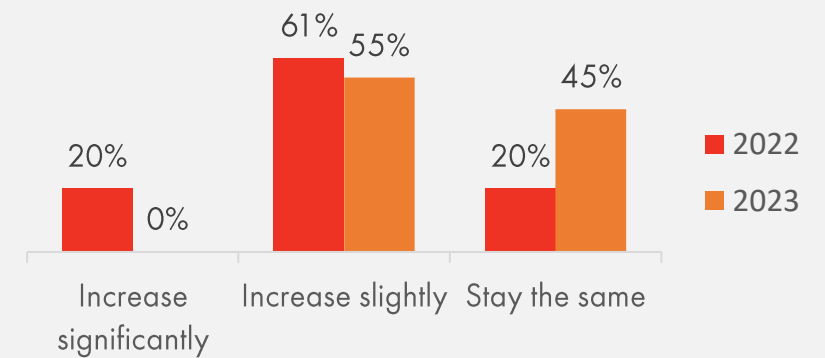
The average salary increase over the last twelve months was 4.2%, down from 7.6% in the previous year. However overall, the cumulative increase in digital advertising specialist salaries over the last few years has increased the cost of talent significantly. Although with an increase in talent this is likely to stabilise in FY24, Australia will remain a market with a premium job market.

Although we are not seeing any evidence of companies planning to significantly increase the size of their workforce in the next six months, there is cautious optimism with more than half of companies looking to make modest increases to staffing levels.

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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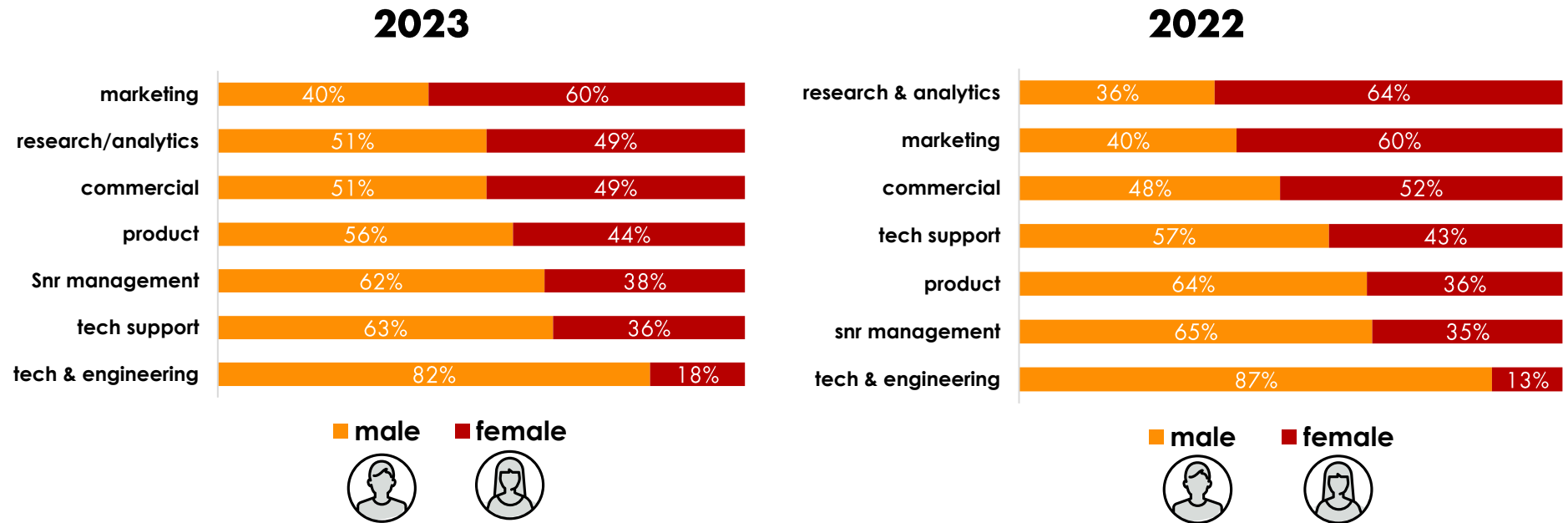
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Although in commercial roles (which represent 46% of industry headcount) the gender split is fairly even, the picture is different in other roles. Encouragingly there has been an increase in women holding senior management roles (up from 26% in 2021 to 35% in 2022 to 38% in 2023) however this is obviously still well below parity.

There has also been an increase in the representation of women in product roles moving from 36% to 44% in the last year, as well as tech and engineering moving from 13% to 18%.



organisation policies.

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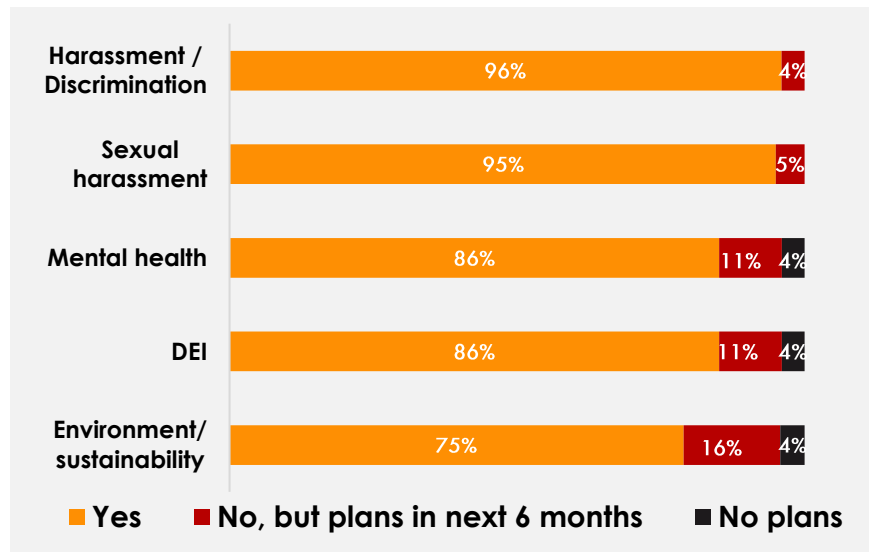
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Most organisations in the Australian digital advertising industry have formal policies for a wide range of issues impacting their staff. The small number of companies that do not have harassment and discrimination policies tend to be smaller and newer organisations. Overarching diversity, equity and inclusion (DE&I) policies are present in 86% of organisations, for those who track different types the most common codes are in relation to gender and the least common of the factors that were tracked by this study were neurodiversity followed by age.

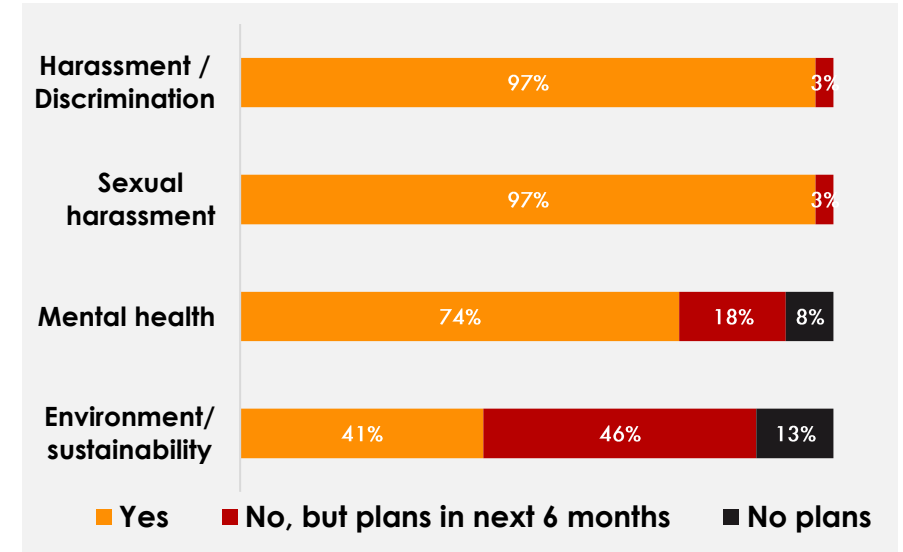
It is pleasing to see a major increase in the number of companies with environmental and sustainability policies moving from 41% to 75% in the last year with a further 16% looking to introduce a policy shortly.

formal policy, support program or code of conduct in place

2023



2022



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Shifts Since 2022

The difference between July 2022 and July 2023 is stark, there is now a range of talented candidates in market looking for a new opportunity whereas twelve months ago employers were scrambling to find and lock down talent.

Even though there are more people available, wage increases over the last two years has meant that talent is still more expensive than prior to COVID. Smaller organisations who can not always compete on salary are more likely to still be experiencing unwanted staff turnover.

Jobs in High Demand

In 2021 and 2022 we saw a wide range of job roles in high demand, however in 2023 with low vacancies and a tough economic environment the vast majority of open roles are for sales managers and sales strategists. Focus on driving revenue and standing out from competitors is seen as critical in the current market.

Impact of AI

Only one in ten organisations are looking at staff reductions or restructure in the next year as a results of integrating new AI driven efficiencies in their companies, however more than half are currently working on using AI to increase the productivity of their current team as well as improving their products.

“Easier to find great talent”

“Have reduced use of recruiters”

“Market now has an influx of available candidates due to restructures & redundancies.”

“An employers' market since significant layoffs within the tech sector.”

“We are still seeing turnover, cost of living pressures and people moving for greater salaries.”

useful resources and current initiatives.

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IAB e-learning Programmes



IAB Microcredentials



IAB Australia Mentorship Program