



# digital advertising & ad tech industry talent review.

october 2021



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# about the industry review.

## why?

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, IAB Australia worked with its members to understand the current profile of people employed, job vacancy rates, impact of changes to visas, market training requirements and more.

It is intended that this research will be carried out every twelve months. 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 September 2021. All data supplied to the IAB remains confidential and is presented in aggregate form only, supported by unattributed quotes.

## who?

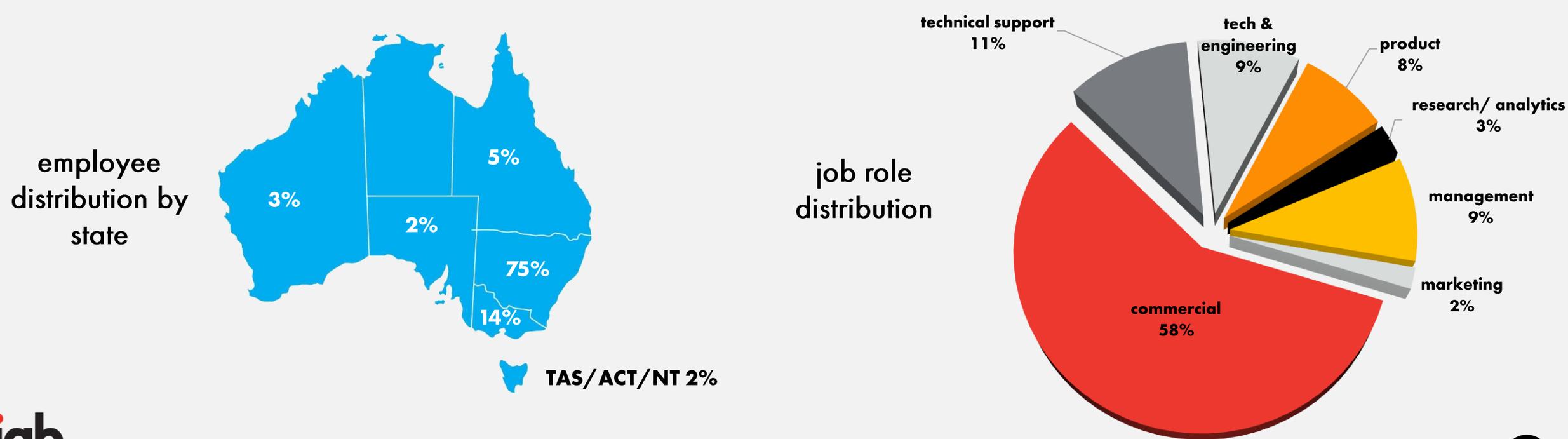
The information in this report was gathered from 36 ad tech and media owners in the Australian market and relates to people in commercial roles, client support, ad operations, trade marketing, insights, research, analytics, data, ad product, programmatic, engineering, technical development and support 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.

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. 3% of the digital advertising population is currently on an Australian work visa.

Nearly 6 in 10 jobs 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.



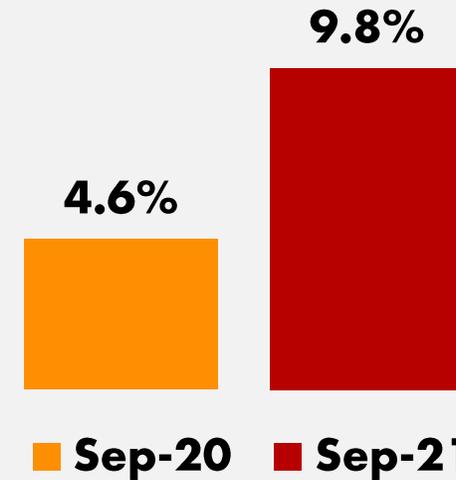
# job vacancy rate.

The industry job vacancy rate has more than doubled in the last twelve months to 9.8%. Although 2020 was impacted by redundancies in relation to companies restructuring due to the impact of COVID-19, by September 2021 many companies were recruiting again, and market revenue was back above 2019 levels.

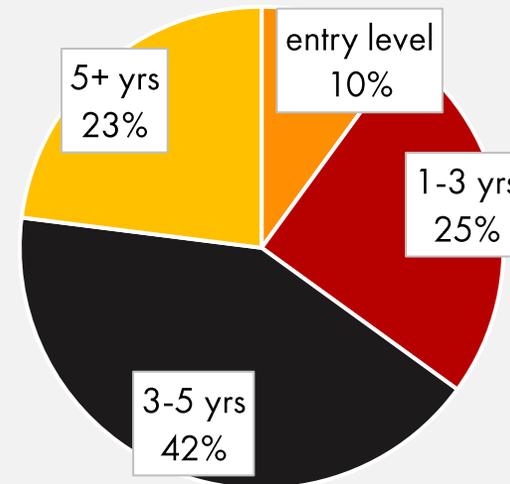
The combination of strong market growth, changes in visa rules, lack of new talent entering the market due to border restrictions and entry of new large global players in the Australian market has created a critical squeeze on talent availability as well as an increase in the cost of talent. The most competitive sector of the market is for people with 3-5 years experience. As these employees are becoming harder to recruit and more expensive, many organisations are recruiting people with less experience and factoring in the cost for internal training and upskilling.

Organisations that have successfully hired staff in recent months have indicated that the average salary increase over the last twelve months has ranged between 10% and 20%. To help manage the current staff shortages, 28% of organisations have increased offshoring of local work in the last year.

## industry vacancy rate



## industry vacancy by experience



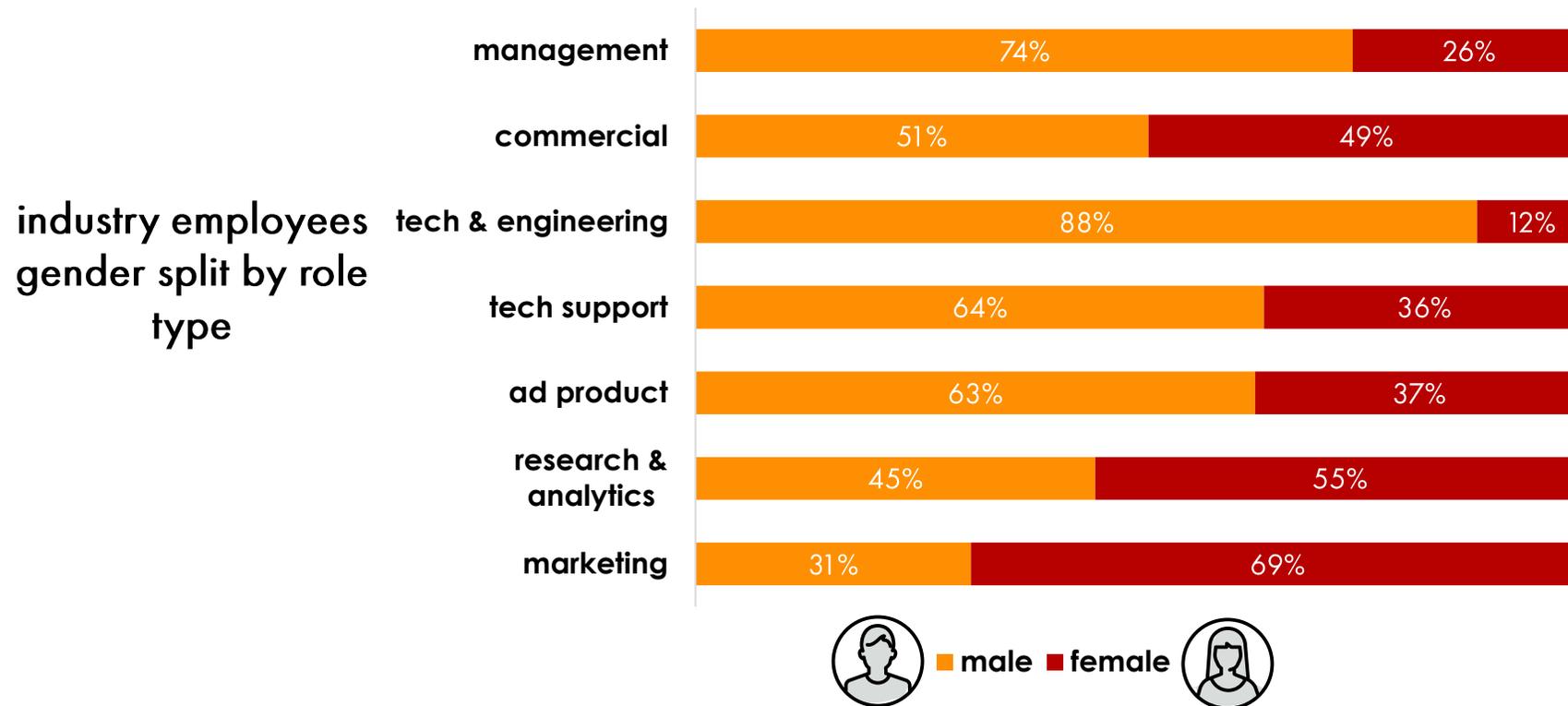
## industry vacancy by state

State	% of vacancies
NSW	81%
VIC	11%
Other	8%

# gender representation.

Although in commercial roles, which represent 58% of industry headcount, the gender split is fairly even, the picture is quite different in other roles. Although there will be some senior leaders within the commercial reporting line, for pure management roles nearly three quarters are held by men.

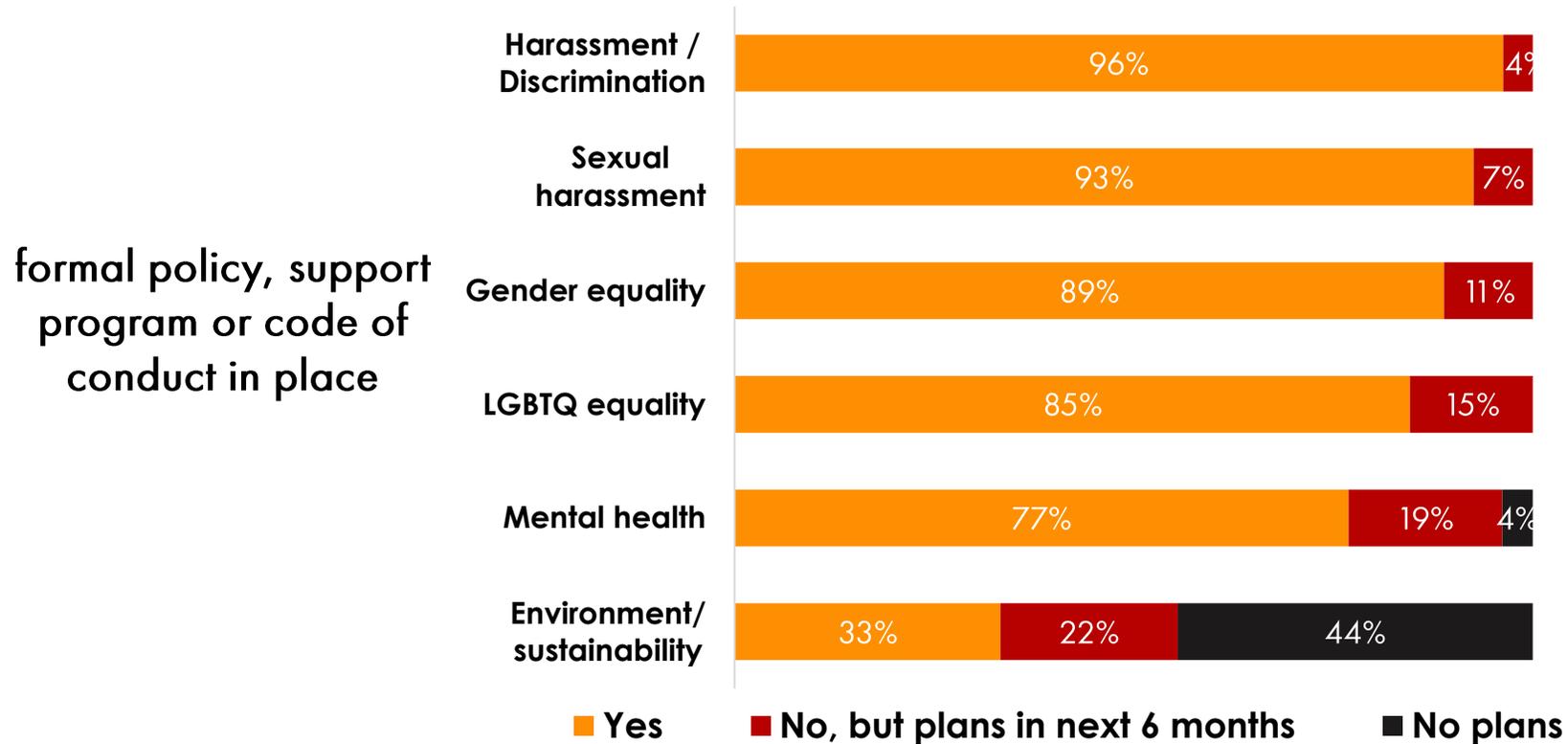
Technical and engineering roles are the most skewed towards male employment with nearly nine in ten being held by men. Male representation drops to 64% for technical support roles. For marketing roles (only 2% of the industry population) women represent nearly seven in ten positions.



# policies.

The majority of organisations in the Australian digital advertising industry have formal policies for a wide range of issues impacting their staff. Although mental health policies are less common than other policies at 77%, a further 19% are intending to introduce a policy for this shortly.

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.



# 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)

Junior to Mid Level Account / Sales Managers

Traders

Performance & Programmatic Managers

Software Engineers

Product & Tech Support

Tech Developers

Product Managers

Data & analytics specialists / scientists

*“We are now recruiting very junior sales roles to develop talent internally”*

*“We are finding it challenging to recruit for trading roles. These are roles where people have 3-5 years of experience in programmatic, it's a technical role and the time to fill the role, not only in Australia, have increased significantly. ”*

# drivers of talent shortages.

## Drivers of talent shortage

**Overseas talent shortage** due to COVID – no new entrants & other talent leaving the market

**Visa changes** – no path to permanent residency leading to talent leaving & discouraging new talent to enter for shorter contracts

**New investment in Australia** – a number of international companies have either recently established or significantly increased local headcount creating more competition for talent.

**Organic market growth** – continued increase in local digital ad market

*“ A lack of overseas talent / skilled migration with 500K temporary visa holders leaving Australia in 2020. Borders still closed with no concrete visibility of when they will open. With the rest of globe having more fluid or open borders, there is also risk that over the next 6-12 months we may lose our (limited) Australian talent to overseas opportunities if borders can't adapt quickly. ”*

*“Talent pool is small. Salary expectations and inflation unsustainable - 20%-40% over past 2 years”*

*“Inflated market rate and competition from new entrants. Mid level market for talent is hot. Excellent trading talent is hard to find and generally bought in from overseas ”*

## Management strategies for talent shortage

Higher salaries

Early promotions & hiring increasingly junior staff

Focus on retention & development

Increased use of recruiters

Offshoring & redistribution of work across states

University graduate programs

Higher referral bonuses

Reskilling traditional media staff

Targeting people in other industries

# impact of talent shortages.

Impact of talent shortages
Increased poaching
Increase in salaries
Stress on existing staff
Low productivity & slowing growth
Junior staff promoted early
Reducing involvement in company global mobility programs
Increased off shoring
International companies reviewing investment in AU due to high staff costs
Higher impact on lower profile companies
Longer recruitment times

*“Increased salary costs in a tight advertising market; workload pressures on the team as it has taken longer to find replacements of suitable quality leaving empty seats.”*

*“Slowing growth as we struggle to find quality candidates.”*

*“Wider APAC team and our US counterparts helping to plug the gaps.”*

*“Missing quarterly sales targets by not having a fully staffed sales team at all times in 2020/2021.”*

*“It increases costs and reduces the bottom line. It means we necessarily have to charge more to clients.”*

# current initiatives & next steps.

## market training needs

Education and training requirements vary across different organisations but can be roughly separated into two buckets for people still in or just completed studies and for those already working in the media and marketing industry (rather than just digital ad and ad tech sector). The IAB is currently developing education initiatives to meet skills in high demand identified in the talent survey.

In 2021, IAB Australia launched two new knowledge programs to help upskill those already in the industry and those just entering via the [Australian Digital Advertising Practices Proof of Knowledge](#) and [Privacy Essentials Training](#).

## mentorship program

The IAB launched a mentorship program for people with less than ten years experience in the industry two years ago. Over 170 people have been mentored by senior leaders so far, with applications for another intake opening in December 2021. This program is now open to a select number of new graduates looking to enter the digital advertising industry.

## talent and careers working group

IAB Australia has now established a Talent and Careers Working Group to expand on the work it already undertakes developing industry talent. The Group will focus on developing people related initiatives including working with tertiary institutes to encourage a broader range of people into the growing digital advertising sector, developing a range of new industry training programs; and introducing support programs for rising talent in the industry who are experiencing rapid promotion.

The Talent and Careers Working Group is made up of HR executives, commercial leaders, and senior executives from the advertising industry organisations including Playground XYZ, Yahoo, Index Exchange, The Trade Desk, PubMatic, InMobi, dentsu, LinkedIn and Quantcast.

## current resources

The IAB is continually publishing industry handbooks, research, webinars, podcasts, briefing papers and more that can all be found on the [IAB Australia website](#).

# Useful resources and current initiatives.



IAB Australia  
Mentorship Program



Privacy Essentials  
Training



Australian Digital  
Advertising Practices

