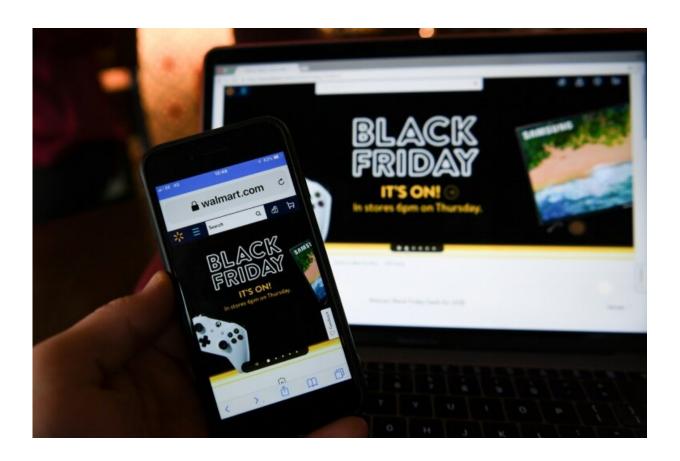


Digital to overtake traditional advertising in US: tracker

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Digital is rapidly supplanting traditional media advertising, with mobile ads the largest segment for online spending, according to a new survey

Spending on digital advertising is set to overtake that of traditional media in the United States for the first time in 2019, in a major



milestone for the industry, a market tracker said Wednesday.

The research firm eMarketer said digital ad <u>spending</u> in the US will grow 19 percent to \$129.34 billion this year, making up some 54 percent of total advertising dollars.

The report said mobile will make up the largest share of digital, with more than two-thirds of ad spending at \$87.06 billion this year.

"The steady shift of consumer attention to <u>digital platforms</u> has hit an inflection point with advertisers, forcing them to now turn to digital to seek the incremental gains in reach and revenues which are disappearing in <u>traditional media</u> advertising," said eMarketer forecasting director Monica Peart.

According to the market tracker, TV ad spending will decline 2.2 percent to \$70.83 billion this year, in the absence of national elections and major events such as the Olympics or World Cup.

It said next year's US presidential election is likely to lead to positive growth in TV ad spending but that the downward trend would continue after that.

Print advertising is taking a major hit, and spending on <u>print ads</u> is forecast to drop another 17.8 percent this year, eMarketer said.

The report said the Google-Facebook "duopoly" will see its first decline in ad market share to 59.3 percent from 60 percent last year.

The drop will come mainly from Google, expected to lose one percentage point of market share to 37.2 percent while Facebook will see a marginal rise to 22.1 percent, the report said.



The biggest gains are likely to come from Amazon, whose <u>market share</u> is forecast to rise two points to 8.8 percent, strengthening its number three position ahead of rivals Microsoft and Verizon, which owns the Yahoo and AOL brands.

"Amazon has a major benefit to advertisers, especially consumer packaged goods and direct-to-consumer brands," said Peart.

"The platform is rich with shoppers' behavioral data for targeting and provides access to purchase data in real-time... marketers have unprecedented access to the 'shelves' where consumers are shopping."

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