

Signs of recovery for online ad market in US

April 7 2010



A man uses a laptop computer at a wireless cafe. Online advertising revenue hit a record 6.3 billion dollars in the United States in the fourth quarter of the year, a bright spot in an otherwise dismal year, according to a report on Wednesday.

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Internet [advertising revenue](#) fell 3.4 percent in 2009 over 2008 to 22.7 billion dollars, according to the report from the Interactive Advertising Bureau (IAB) and PricewaterhouseCoopers (PwC).

However, "there are signs of an emergent recovery in the industry," the IAB report said.

Online advertising revenue rose 2.6 percent over a year earlier to 6.3

billion dollars in the fourth quarter and was up 14 percent from the third quarter of 2009, it said.

PwC's David Silverman said fourth quarter spending while "aided by seasonal demand, is a strong indication that the worst of the economic impact on [Internet advertising](#) is over and that the seeds of growth have been planted."

[Search advertising](#) accounted for 47 percent of total revenue in 2009 or 10.7 billion dollars, the IAB report said.

Display-related advertising, which includes banner ads, sponsorship and digital video, accounted for 35 percent of total revenue or eight billion dollars.

Digital video, which is a component of display-related advertising, rose 39 percent in 2009 over 2008.

Classified advertising revenue accounted for 10 percent of total revenue or 2.2 billion dollars, down from 3.2 billion dollars in 2008.

"Digital media are now a core component of successful advertising and marketing campaigns," said Randall Rothenberg, president and chief executive of the IAB, which groups media and technology companies.

"As consumers spend more of their time immersed in digital media, marketers are increasingly reaching them there, building brands online and making digital the central force in their cross-media strategies."

Last year was the first year of decline for online advertising revenue in the United States since 2002.

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Citation: Signs of recovery for online ad market in US (2010, April 7) retrieved 26 April 2024 from <https://phys.org/news/2010-04-recovery-online-ad.html>

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