

US Internet ad revenue grows 15 percent in 2012

April 16 2013, by Barbara Ortutay

U.S. Internet advertising revenue grew 15 percent to a record \$36.6 billion in 2012, with mobile ad revenue growing faster than other types, according to a new report Tuesday.

The report from the [Interactive Advertising Bureau](#) and PricewaterhouseCoopers said that mobile ad revenue more than doubled from the previous year to \$3.4 billion. It accounted for 9 percent of total Internet ad revenue in 2012. In 2011, the \$1.6 billion in mobile ad revenue made up 5 percent of the total. Mobile ads represent an area of growth for many companies, including [Google Inc.](#) and [Facebook Inc.](#) Facebook started showing mobile ads last year.

Research firm eMarketer, which includes more types of [mobile ads](#) in its calculations, expects U.S. mobile ad spending to grow 77 percent in 2013 to \$7.29 billion from \$4.11 billion last year.

Search ads, where Google dominates, still account for nearly half of all online advertising revenue, at \$16.9 billion in 2012, according to the report.

The IAB, which represents media and technology companies, releases online advertising revenue numbers each quarter. Management consulting firm PricewaterhouseCoopers compiles the data based on information from companies that sell advertising on the Internet.

Brian Wieser, analyst at Pivotal Research Group, called the online

advertising growth rate "solid" at 15 percent, but noted that "we can clearly see that if we strip out growth from Google and Facebook, the rest of online advertising likely grew by 3.8 (percent)."

"This bodes poorly for conventional [Web publishers](#) such as Yahoo, as Google and Facebook are likely to remain as the most dominant sellers of online advertising," Wieser wrote in an emailed research note.

More information: IAB: www.iab.net

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