

M/GNA

MAGNA

VERTICAL AD SPEND

4/7/21

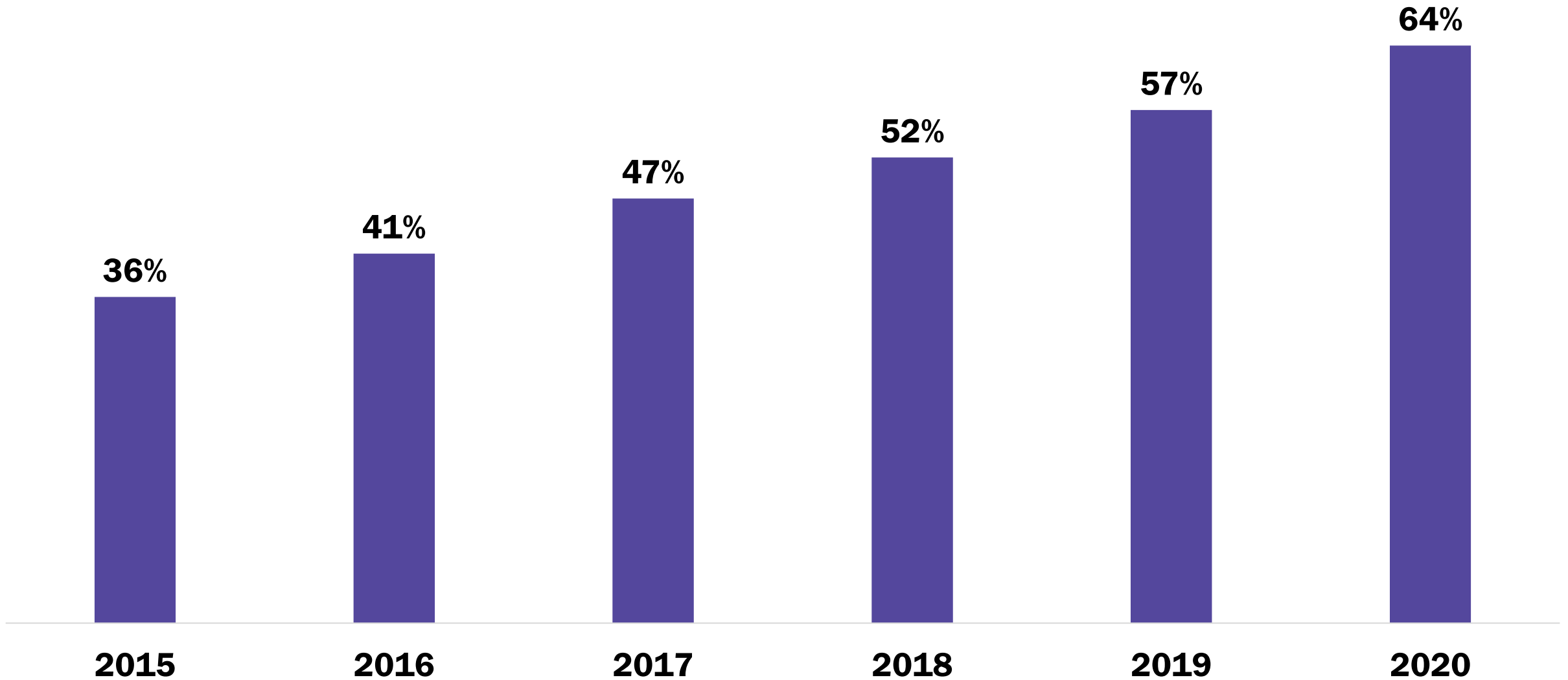
MAGNA AD SPEND FORECAST

FACTORS DRIVING DIGITAL GROWTH THROUGH COVID WILL FUEL CONTINUED GROWTH

- 1) COVID crisis triggered a lasting acceleration in digital media reach and consumption.
- 2) It also led to an acceleration in digital marketing adoption and usage by small businesses and brands.
- 3) Economic recovery in 2021 looks stronger than expected thanks to the combination of stimulus and faster vaccination rollout.
- 4) As a result, MAGNA predicts digital media ad spend to grow by at least 12% in 2021 as all industry verticals will recover and grow marketing spend.



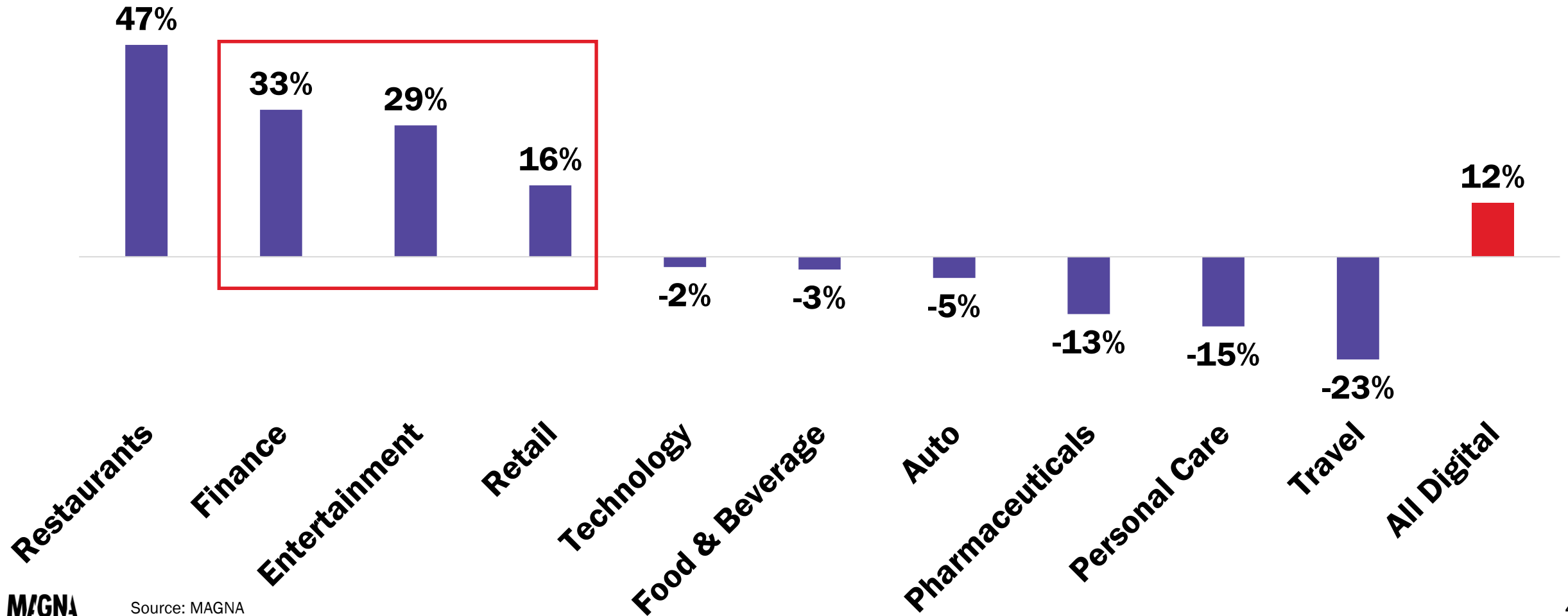
DIGITAL HAS BEEN RAPIDLY GAINING SHARE OF BUDGETS OVER TIME



2020 RECAP

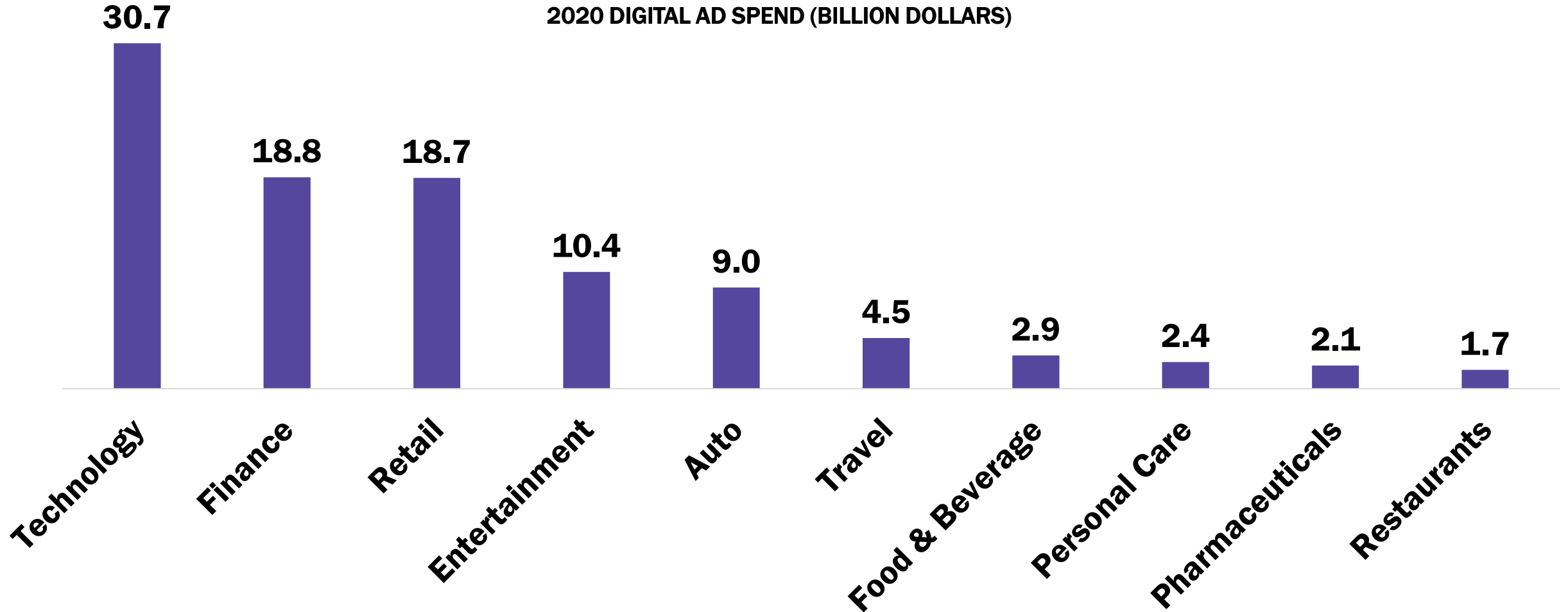
MOST LARGE VERTICALS INCREASED DIGITAL SPEND DESPITE COVID

2020 DIGITAL AD SPEND (YOY GROWTH)



2020 RECAP

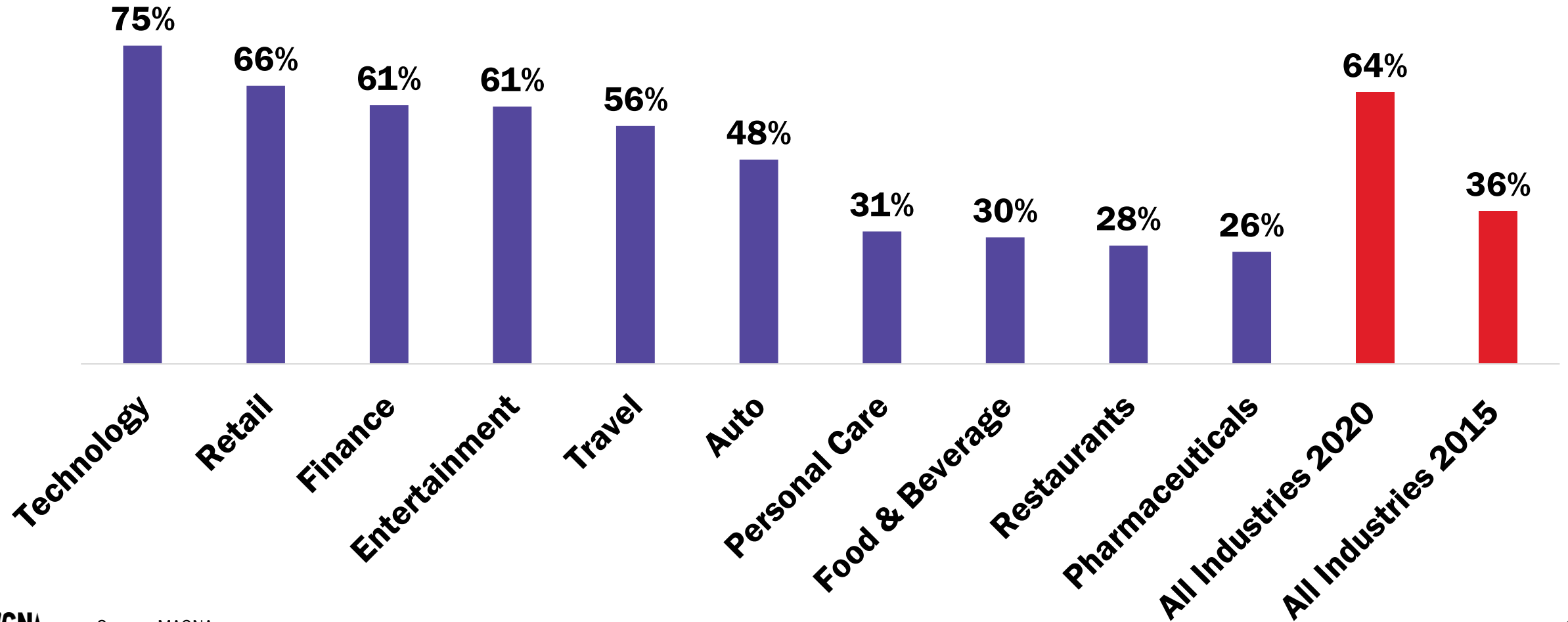
TECH, FINANCE, RETAIL LARGEST DIGITAL SPENDERS



2020 RECAP

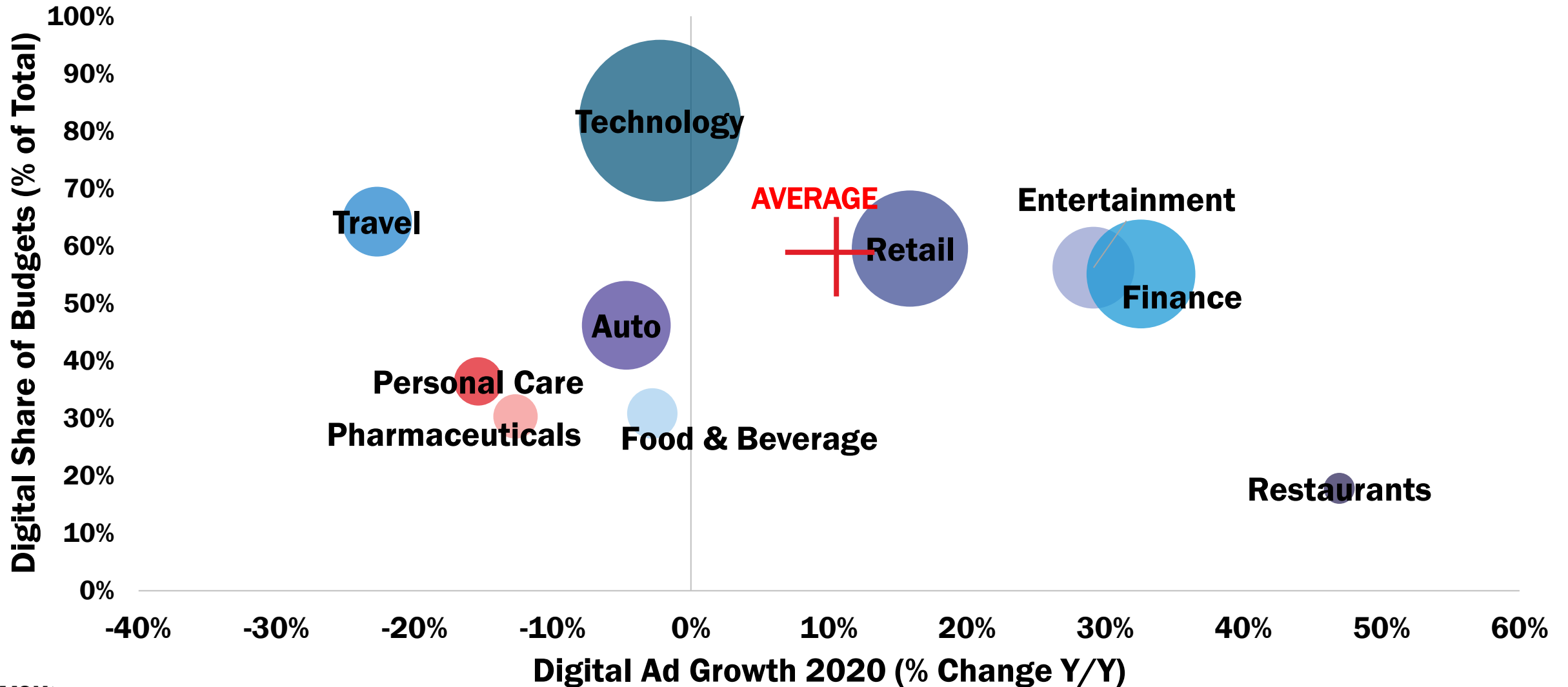
STILL SIGNIFICANT DIFFERENCES IN DIGITAL ADOPTION

2020 DIGITAL AD SPEND (% OF ALL-MEDIA SPEND)

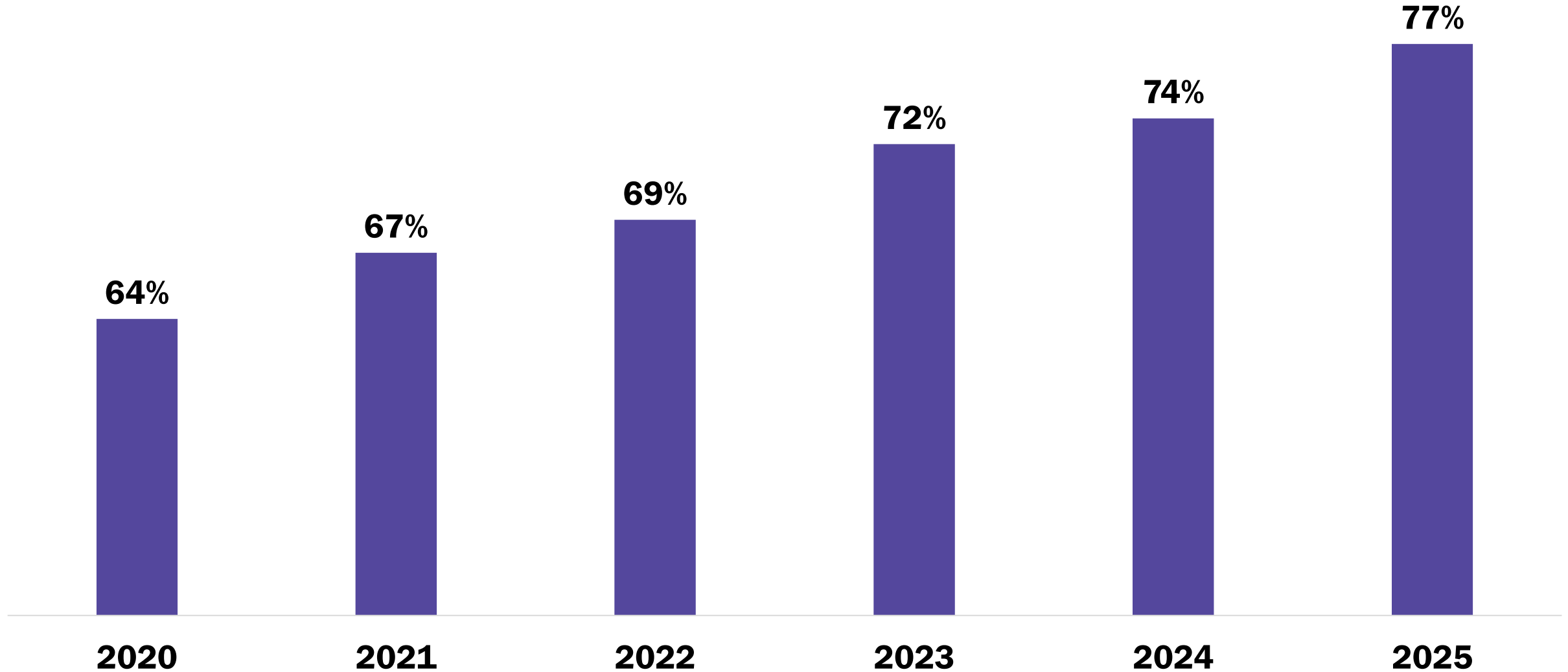


2020 RECAP

RESILIENCE/GROWTH CAME FROM THE LARGEST VERTICALS



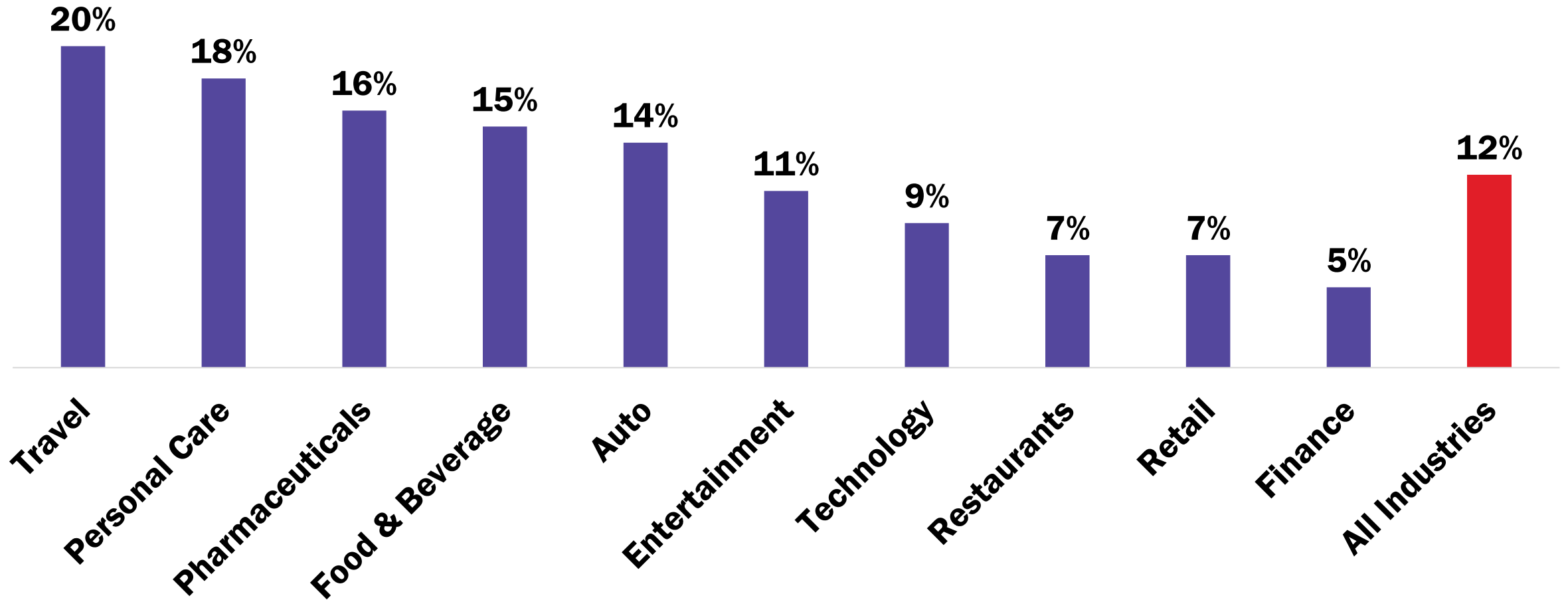
DIGITAL ADVERTISING WILL CONTINUE TO DOMINATE BRAND BUDGETS



FOCUS ON KEY VERTICALS

ALL INDUSTRY VERTICALS TO GROW DIGITAL SPENDING IN 2021

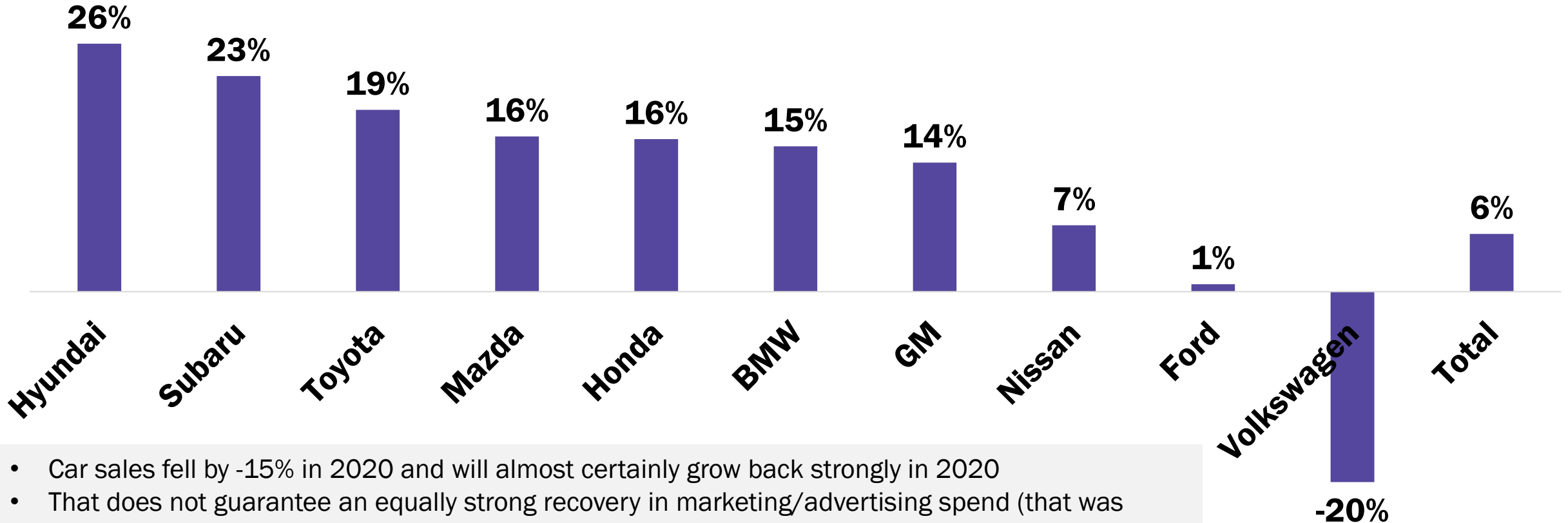
DIGITAL AD SPENDING BY INDUSTRY (% CHANGE)





FOCUS ON KEY VERTICALS

AUTO: CAR SALES ARE RECOVERING: +6% IN 1Q21, +10% FY21



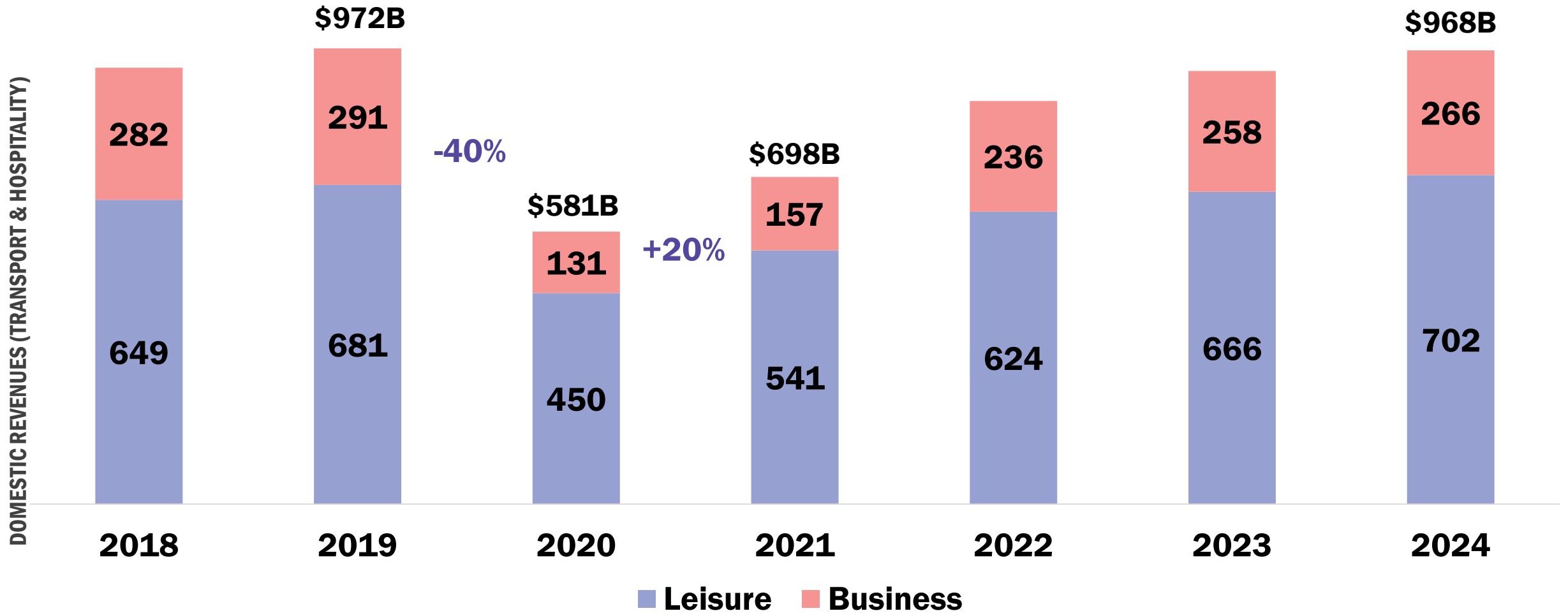
- Car sales fell by -15% in 2020 and will almost certainly grow back strongly in 2021
- That does not guarantee an equally strong recovery in marketing/advertising spend (that was already stagnating pre-COVID).
- But with the share of digital being only average in the auto industry, *digital* budgets have room to grow organically in 2021 (+14%)

Source: GoodCarBadCar



FOCUS ON KEY VERTICALS

TRAVEL: REBOUND IS LIKELY BUT FULL RECOVERY WILL TAKE YEARS



ABOUT

About MAGNA

MAGNA is the centralized Mediabrands resource that provides media marketplace intelligence and negotiation prowess for agency teams and clients. MAGNA infuses the organization with knowledge that empowers better decision-making, including insights, forecasts, and strategic relationships.

MAGNA Intelligence is the leading source for insights and forecasts on the global advertising marketplace and the media economy, since 1950. Produced by a New York-based analyst team and supported by an international research network. Topics/metrics include net ad spend, ad sales, ad costs, media consumption trends, and ad tech (programmatic). Data and forecasts for 70 countries and 15+ media categories. Capabilities include: reports, datasets, analyst briefings, custom research & consulting projects. Subscribed by 40+ major media/tech companies. Quoted by trade press and Wall Street analysts.

Vincent Létang

EVP, Director of Global Forecasting
vincent.letang@magnaglobal.com

Luke Stillman

SVP, Global Media Intelligence
luke.stillman@magnaglobal.com