

2021 Fall Impact Study

Buyer Perspectives on 2022 Media
Planning & Budgeting



October 2021

Executive Summary

This is the second of two studies conducted by IAB in 2021 to provide the ad-supported internet ecosystem with insights into buyer investments and trends needed for strategic planning. The first study (conducted Mar. 2021) provided a baseline for ad spend in 2021 by channel. The following Fall Impact report provides insight into whether ad investments, planning, strategies, and tactics are shifting for 2022.

Both surveys were completed by those with line of sight into budgets, strategies, placements, and campaign KPIs. Company types queried include the following: Agencies, Brands, Consultancies, Marcom, Ad Tech, Data Providers, and Platforms.

The results are offered to help both the buy- and sell-sides:

- Plan for the year ahead
- Benchmark your brand or channel's positioning/weight in the marketplace
- Identify white space, best channels and brainstorm big ideas for launching new products/services, finding new targets, and growing ROI
- Evaluate your company's DEI standing and plans

Study Objectives:

The IAB Fall Impact study offers buy-side trends and insights, with its primary focus on the following areas:

Estimated growth of ad spend in 2022

- Is digital ad spend still in growth mode?
- Is the digital share by channel shifting for 2022? Where are buyers placing their bets?
- What will the frequency of budgeting/reallocating ad spend be in 2022? What can that mean for sellers?

Understanding 2022 Investment in DEI

- Can we expect to see our industry's DEI strategies reflected in 2022 advertising spend?

Executive Summary

Key Research Findings: Ad Spend

- Of greatest importance to buyers in 2022:
 - First-party data acquisition and partnerships
 - Measurement
- 2022 media ad budgets are expected to increase 13% y/y*
- Share shift to Digital continues, with Traditional budgets projected to lose another 6% in 2022—predominantly from Linear TV*
- The buy-side has shared that the positive shift to Digital will be distributed across its channels fairly evenly—and while Digital Video holds the greatest percent share of the total media budget, it does not show a year-on-year growth. These results are counter to IAB expectations and should be used directionally.
- Budget allocation/reallocation will be examined with greater frequency than has been occurring historically
- **Key Research Findings: DEI**
- Half of buyers say their 2022 budgets include greater investment with minority audiences—BIPOC and LatinX getting the lions share of that increase
- The ad industry is exploring ways to correct for racial imbalance in staffing

Table of Contents

<u>Chapters</u>	<u>Page</u>
I. Estimated 2022 Spend	5
II. 2022 Investment Details	11
III. DEI Media Ad Spend Expectations	16
Methodology	20

I. Estimated 2022 Spend

**Expect a double-digit y/y increase for
total media ad spend**

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The total US budget for advertising spend in 2022 is expected to increase by 13% over 2021, according to media buyers and brands

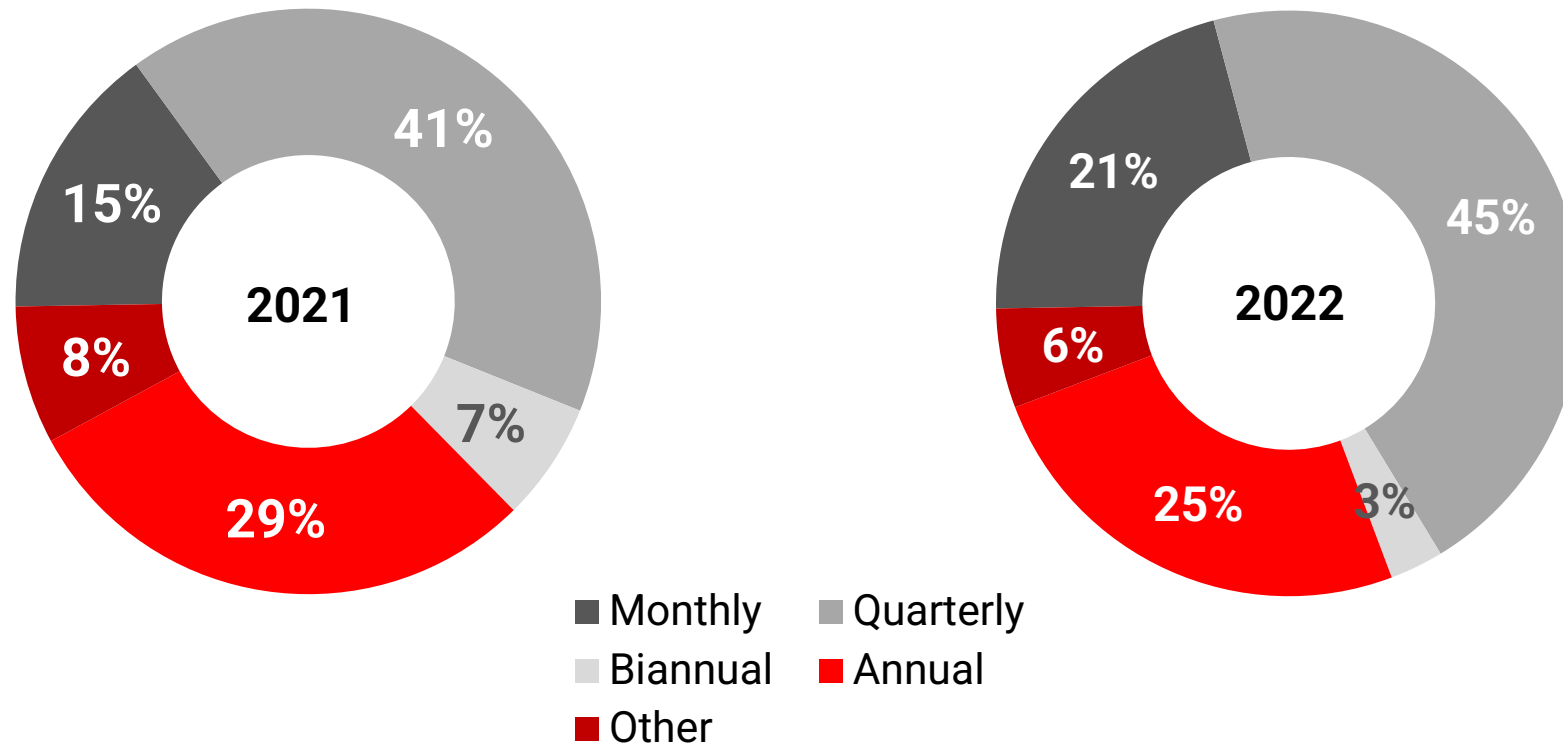


+13%

Buyers are incrementally shifting toward more frequent budget monitoring

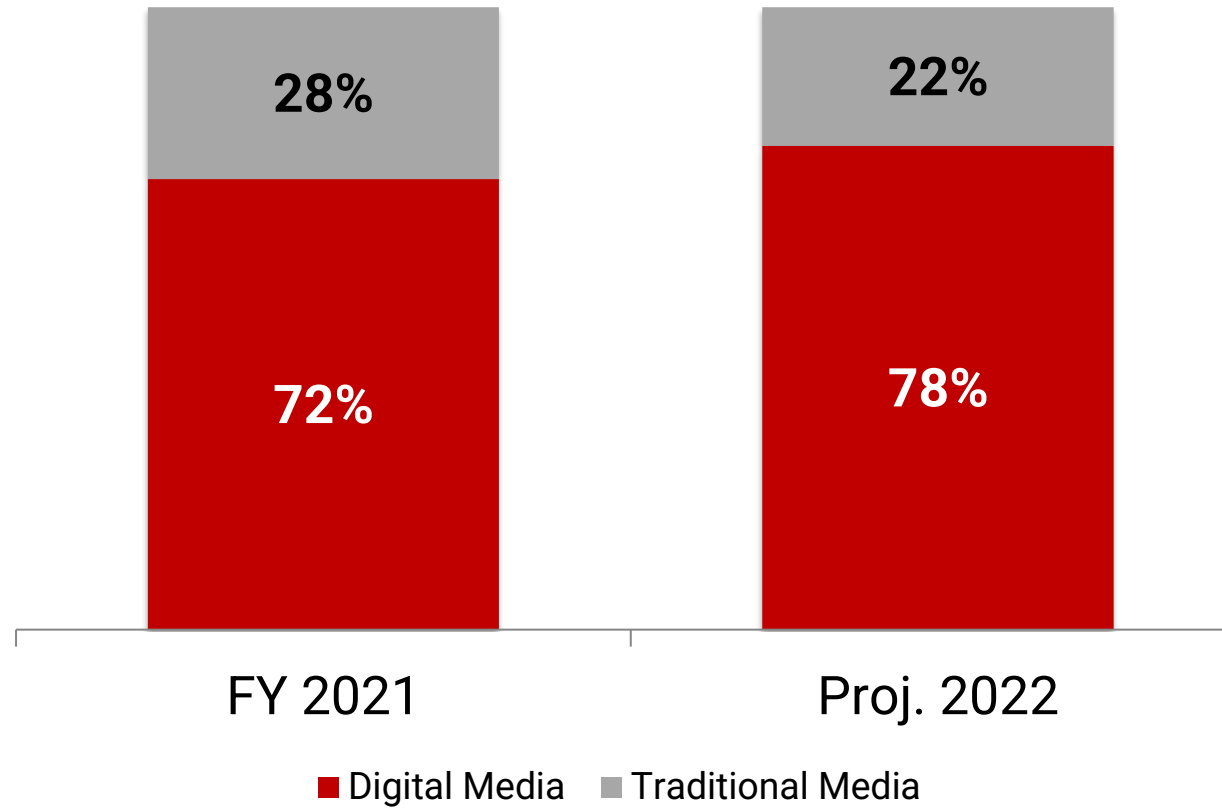
IAB Perspective: The shift away from annual/biannual budget practices indicates that buyers are settling into a more aggressive review of expenditures throughout the year. IAB expects this trend to continue.

Frequency in Media Budgeting Reviews



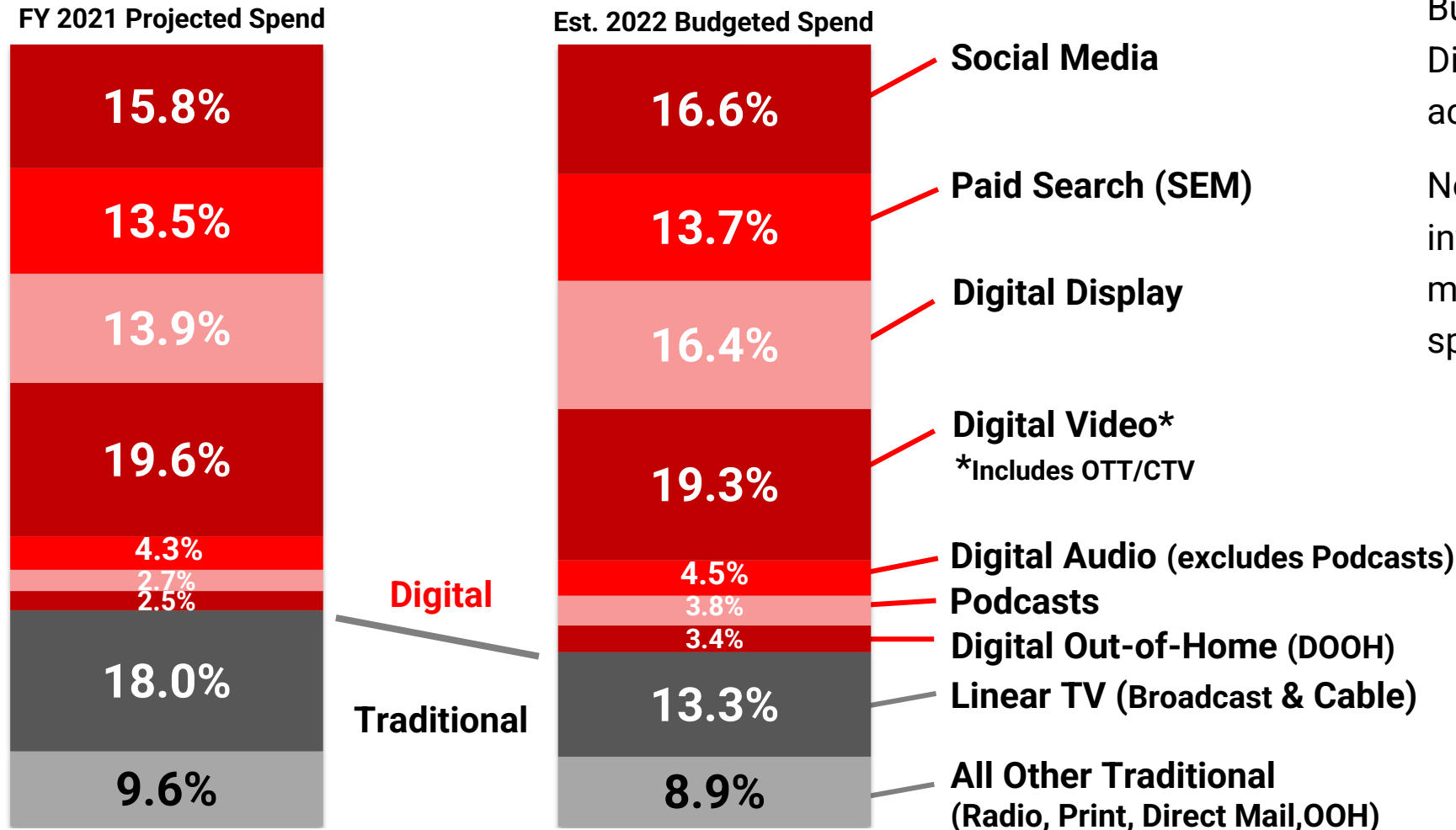
Digital 2022 ad budgets will gain 6% share from Traditional media vs. FY 2021

**% Share of Digital vs. Traditional Media
FY 2021 Project Spend vs. Est. 2022 Budgeted Spend**



Digital Video will continue to capture greatest % share of the total US ad budget

2021 Total Ad Budget by Media Channel/Platform



IAB Perspective:

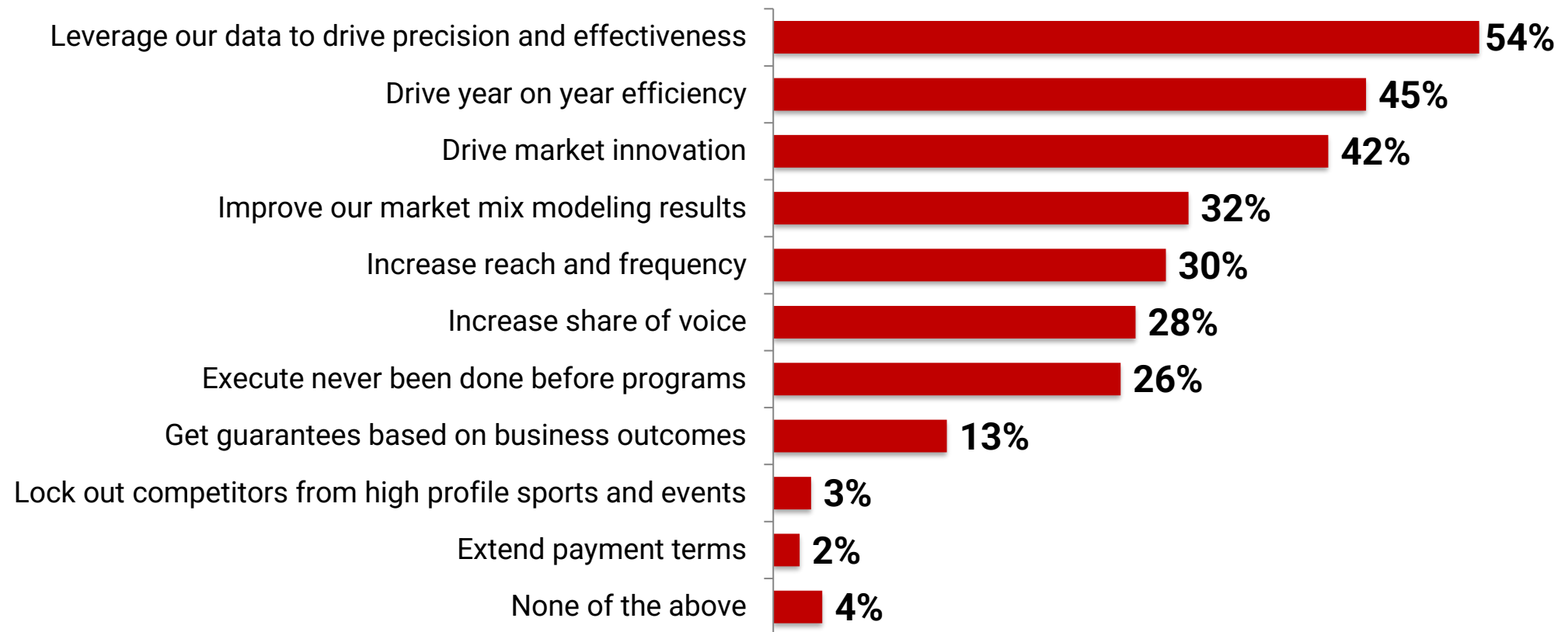
Buyers estimate the 6% share shift to Digital advertising will be distributed across Digital channels.

Note: the decline of Linear TV inventory has contributed to advertiser migration to CTV. IAB expects CTV ad spend growth to continue.

54% of buyers say “precision and effectiveness” is a top goal in 2022

IAB Perspective: Ensuring precise ad targeting underscores the measurement need brands and buyers have been calling for: new methodology, transparency, and easy attribution for determining ROI and evolving strategy

% of Buyers Choosing Each as a Top 3 Media Investment Goal for 2022



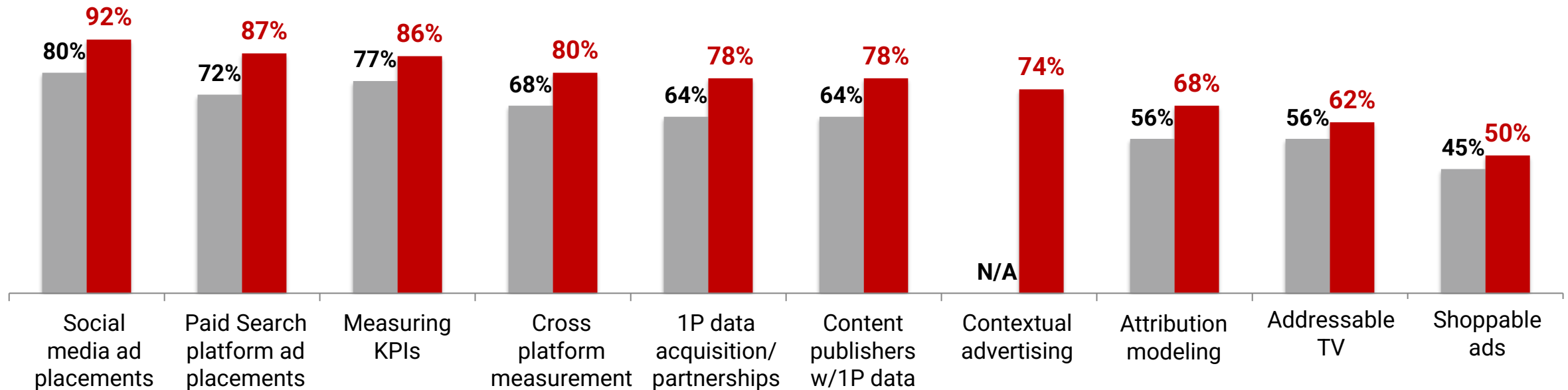
II. 2022 Investment Details

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More buyers will be investing in every activity measured (y/y)

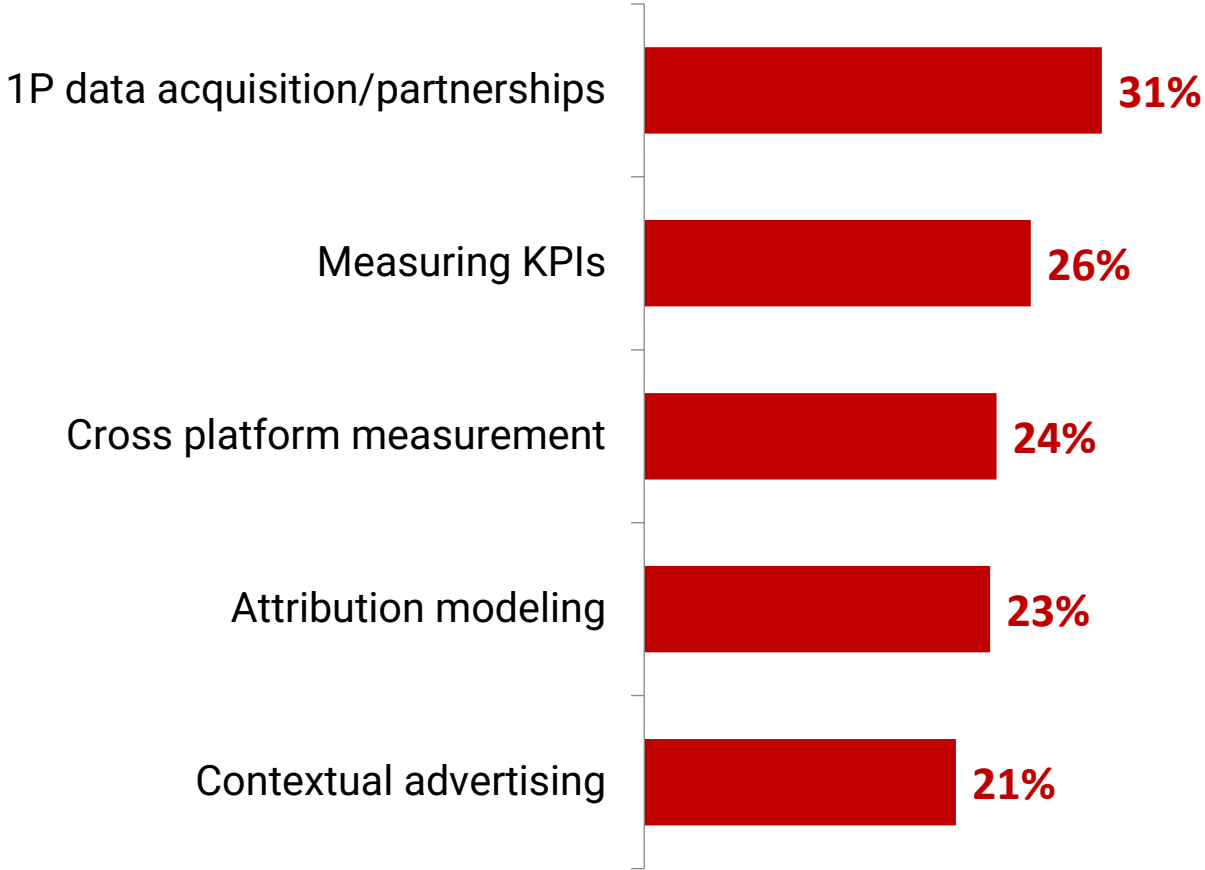
% of Buyers Investing in:

■ 2021 ■ 2022



Investments will be higher in every Digital activity that helps better target and understand/attribute ROAS by channel

Average % Change in Investment YoY, 2022 vs. 2021



n=298; March 2021 Impact Study, n=142

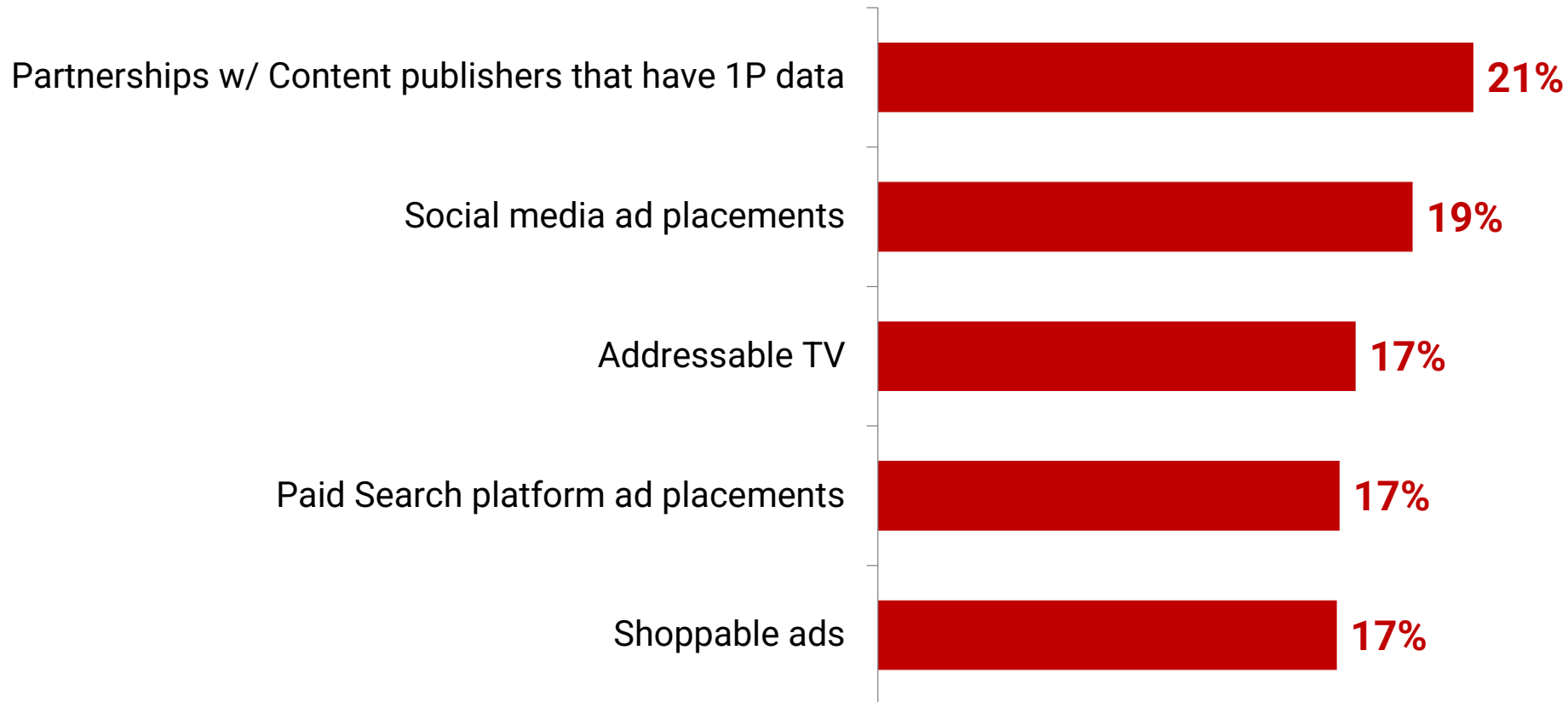
Q: Do you expect to have an increase/decrease in investment during 2022 (vs. projected spend in 2021) for any of the following?

March 2021 Impact Survey Q: Do you expect to have an increase/decrease in investment during 2021 (vs. actual spend in 2020) for any of the following?

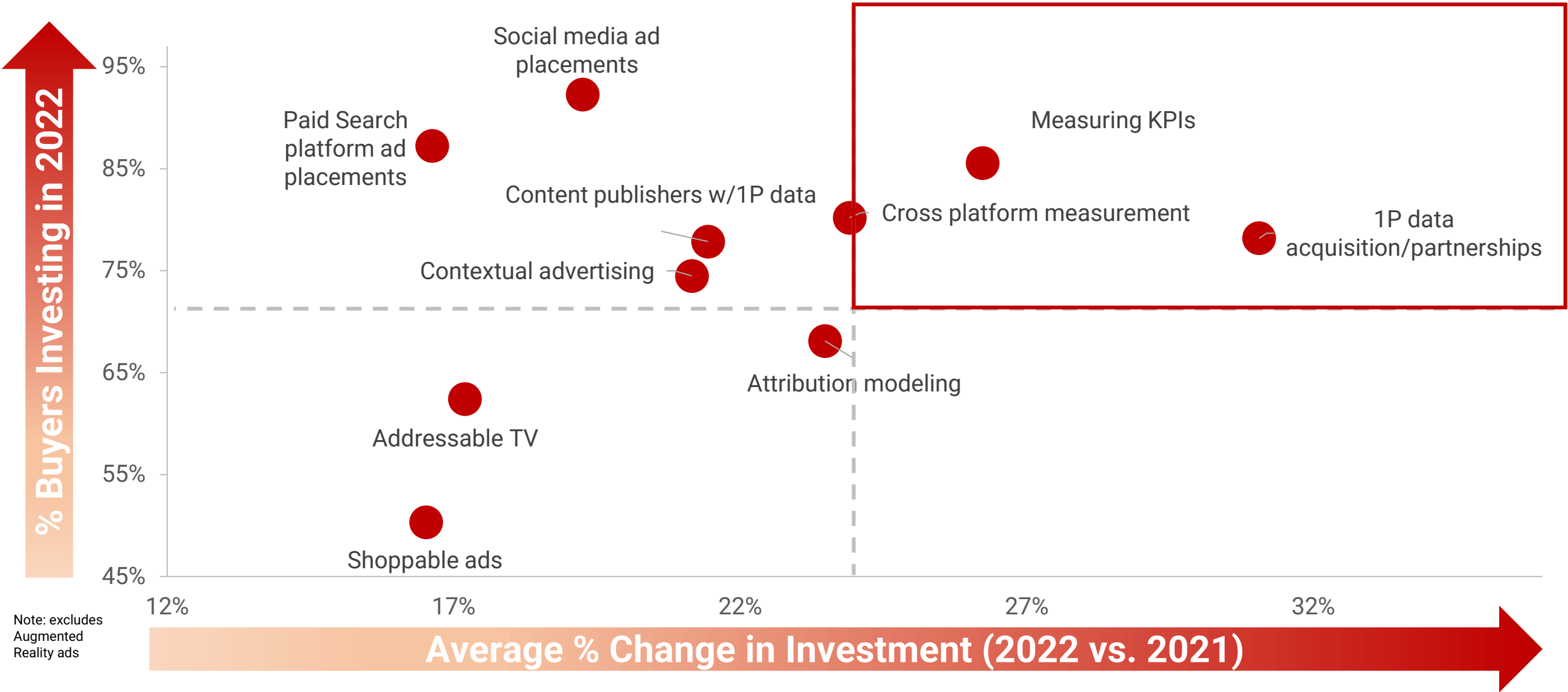
ROAS: Return on Ad Spend

Top investment areas for ad formats and channels underscores buyer need for effective targeting and optimal performance

Average % Change in Investment YoY, 2022 vs. 2021



The relationship between the number of buyers investing and the percent change in investment illustrates the great importance buyers are putting on first-party data and measurement in 2022



Note: excludes Augmented Reality ads



n=298

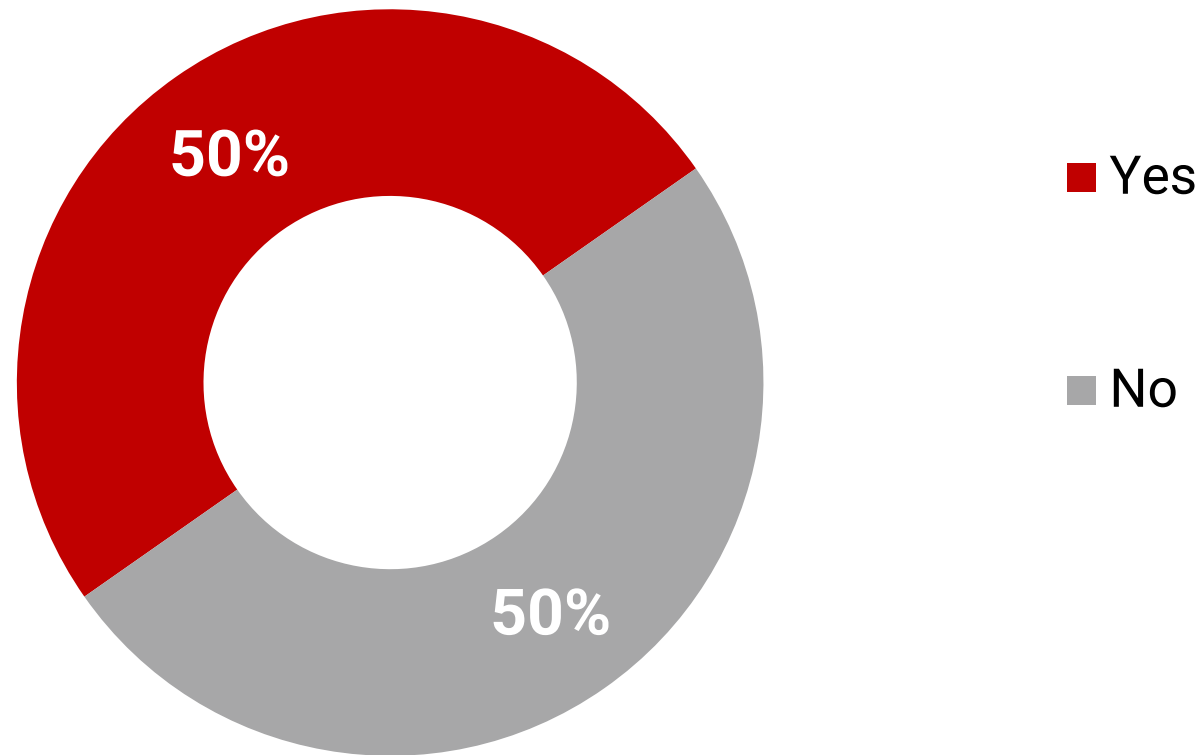
Q: Do you expect to have an increase/decrease in investment during 2022 (vs. projected spend in 2021) for any of the following?

III. DEI Media Ad Spend Expectations

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Half of buyers report increasing ad spend on minority-owned / minority-focused media in 2022

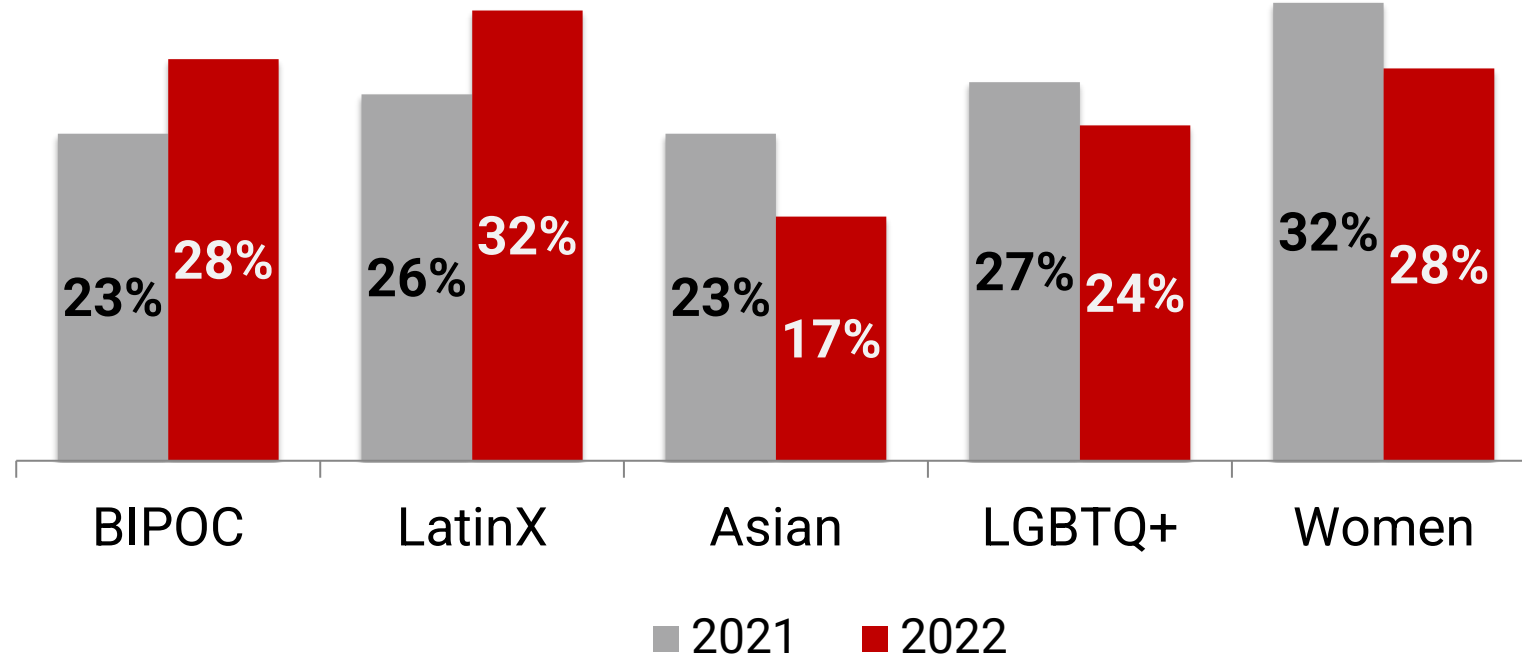
% of Buyers Looking to Place More Advertising with Minority-Owned/Minority Content-Focused Media in 2022



The DEI ad budget investment shift is greatest for BIPOC and LatinX

Average % Increase in DEI Advertising with Minority-Owned/ Minority Content-Focused Media in 2021 vs. 2022 per Audience

Among Buyers Looking to Place Ads Positioned Near More Minority-Owned/Minority-Focused Content in 2021 vs. 2022



buyers Looking to Place More Minority-Owned/Minority-Focused Content in 2022, n=121

March 2021 Impact Study: buyers Looking to Place More Minority-Owned/Minority-Focused Content in 2021, n=75;

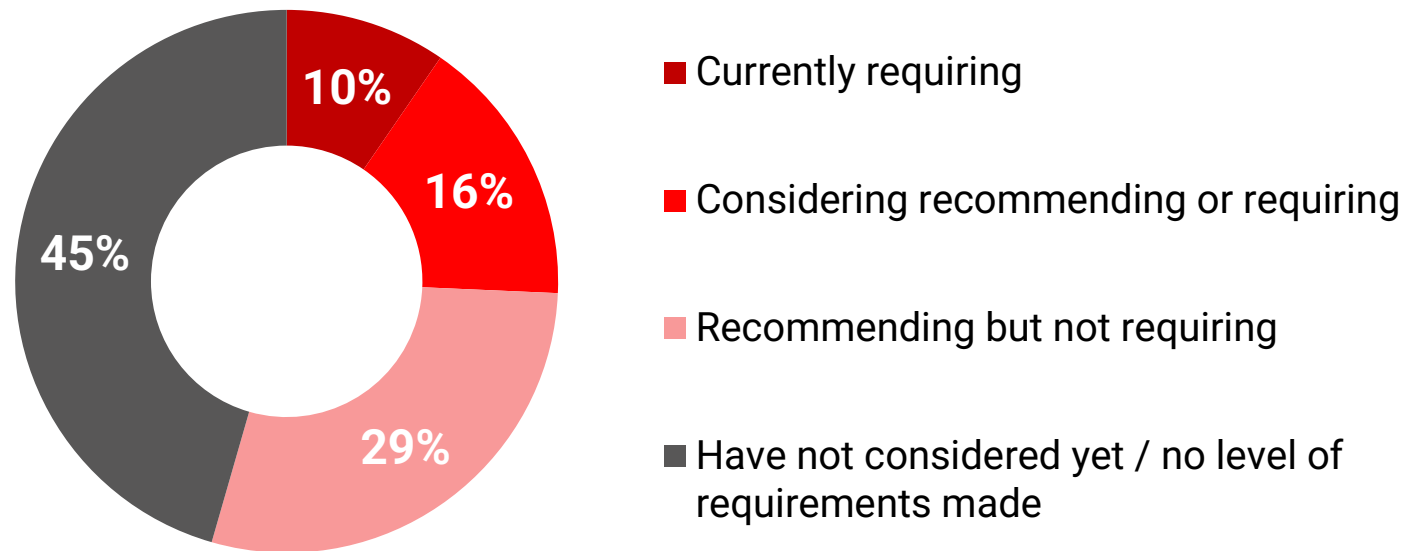
Q: By what percent are you shifting your reach strategy for minority audiences in FY 2021 vs. projected for FY 2022?

March 2021 Impact Survey Q: By what percent are you shifting your reach strategy for minority audiences in 2021 vs. actual 2020?

More than half of buyers are considering asking their partners to meet minimum minority staffing requirements

IAB Perspective: Increasingly, buyers are realizing the importance of balancing diversity in staffing across the ecosystem.

Buyers Recommending/Requiring Ad Agency and/or Ad Media Partner Meet a Minimum in Staffing of Minority Employees



n=244

Q: Which of the following best describes your current status regarding requiring your advertising agency and/or advertising media partners meeting a minimum requirement for % of staff or % of people working on your account consisting of minority members (i.e., BIPOC, LatinX, Asian, LGBTQ+ or Women)

Methodology

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Fall 2021 Impact Study sample: profile

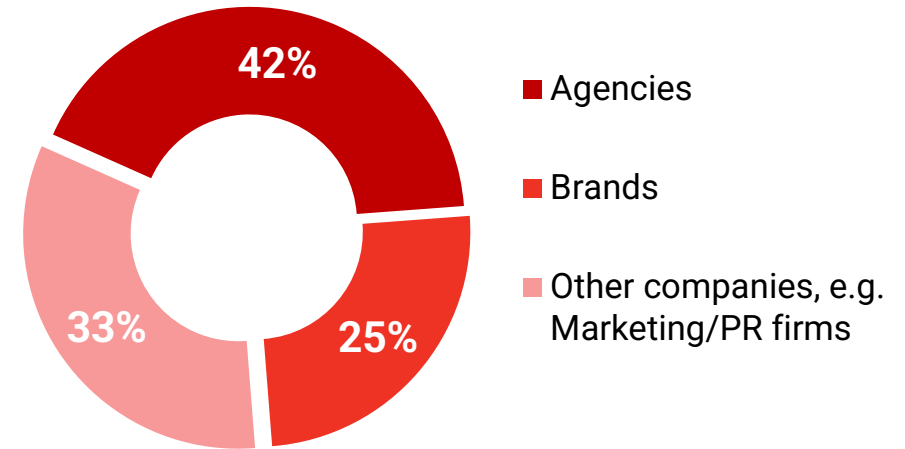
- 12 min. survey
- Fielded Sep 2-21, 2021
- N=726 from those who have purview into US advertising spend in 2021

Respondents include:

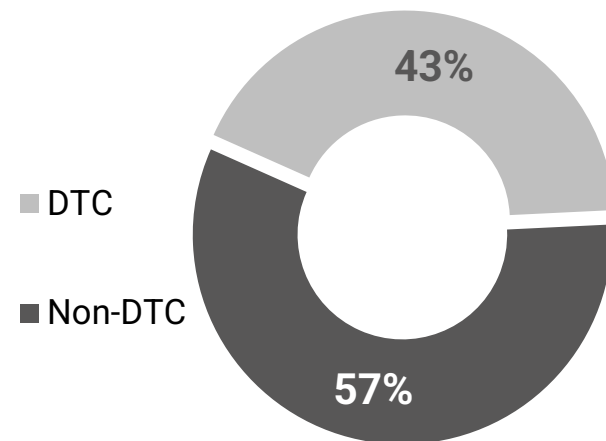
- Media planners
- Media buyers
- Marketers

Note: Sample size varies by question and indicated

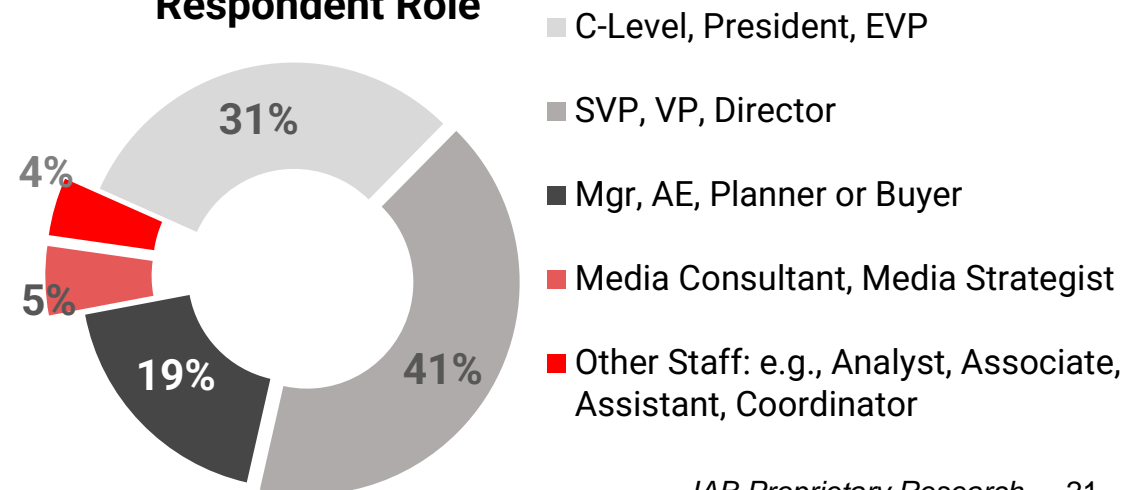
Company Type



DTC vs. Non-DTC



Respondent Role



March 2021 Impact survey: sample profile

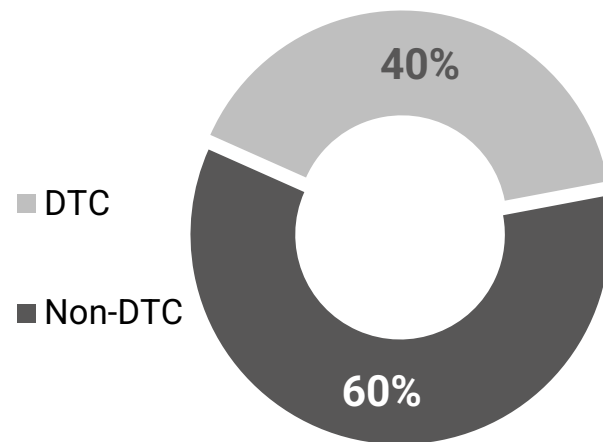
- 15 min. survey
- Fielded Mar 15-Apr 5, 2021
- N=275 from those who have purview into US advertising spend in 2021

Respondents include:

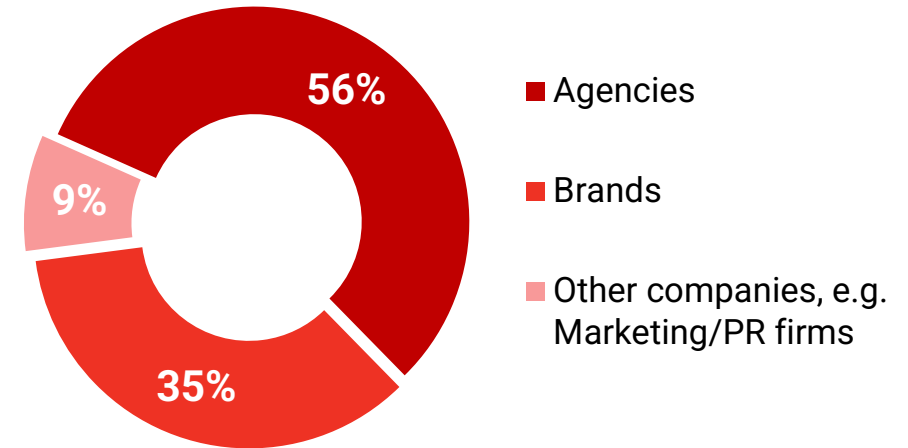
- Media planners
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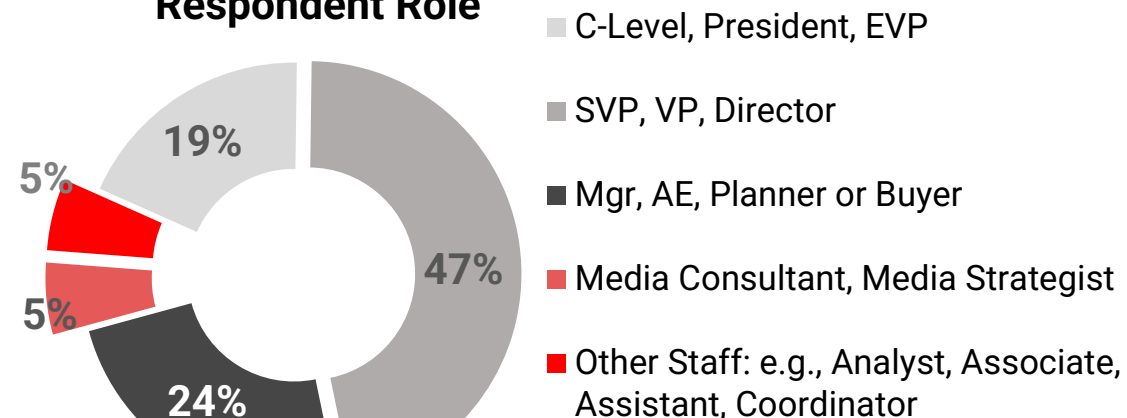
DTC vs. Non-DTC



Company Type



Respondent Role



About Us



The [Interactive Advertising Bureau](#) empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 650 leading media companies, brands, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

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Thank You!

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