

2H 2022 Flash Bulletin:

U.S. Ad Investment Projections within
the Current Macroeconomic Climate

July 2022



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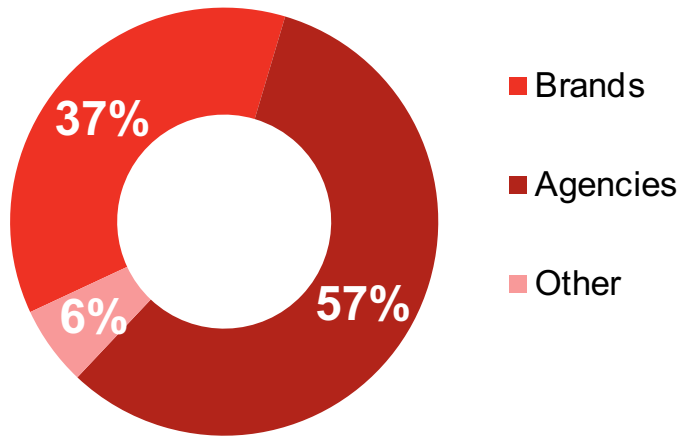
Methodology & Respondent Profile

Email survey sent to buy-side ad investment decision-makers (brands & agencies)

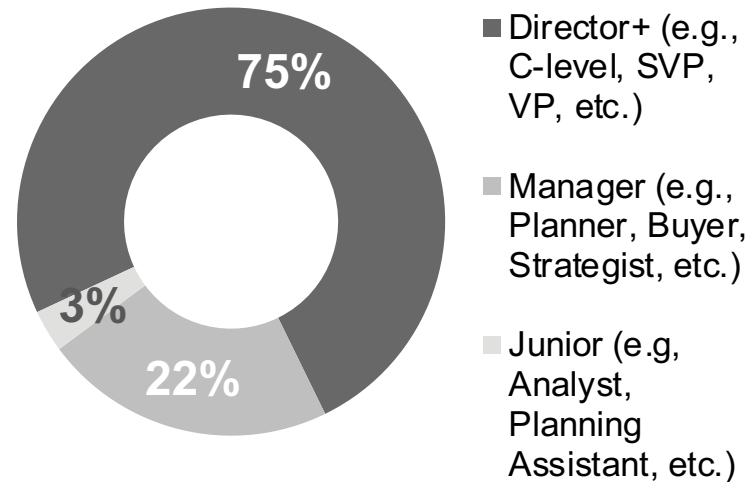
Field dates: 7/6/22 - 7/20/22

n=250

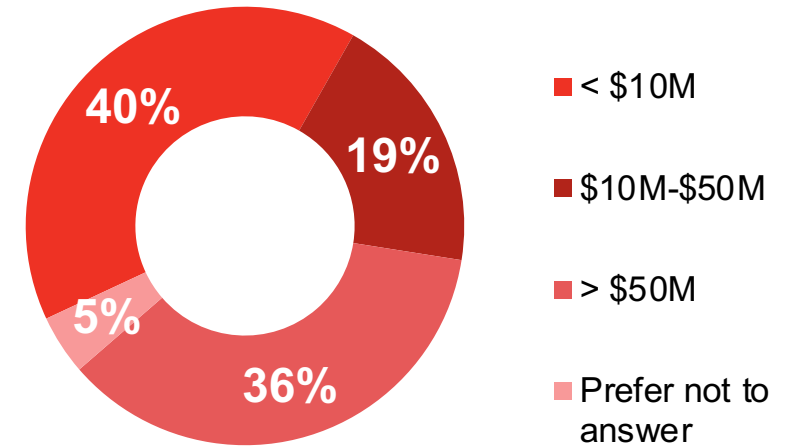
Company Type



Job Title



Total U.S. 2021 Ad Spend



Executive Summary

2H 2022 Ad Spend vs. Planned

- Contrary to the prevailing market sentiment, 2H 2022 ad spend is projected to be up +7% vs. original plan as per brands and agencies
 - Growth is not uniform across categories: 2H 2022 ad spend is being driven by travel and tech, while health & wellness and auto are down vs. planned
 - For those decreasing 2H 2022 ad spend, a “slowing economy” was the #1 contributor at 66%, followed by 45% for supply chain bottlenecks and 38% for consumer inflation
- As a result, buyers expect FY 2022 ad spend to be +9% vs. FY 2021—this is down from the original projection of +13% made in Fall 2021 ([IAB Fall 2021 Impact Study](#))

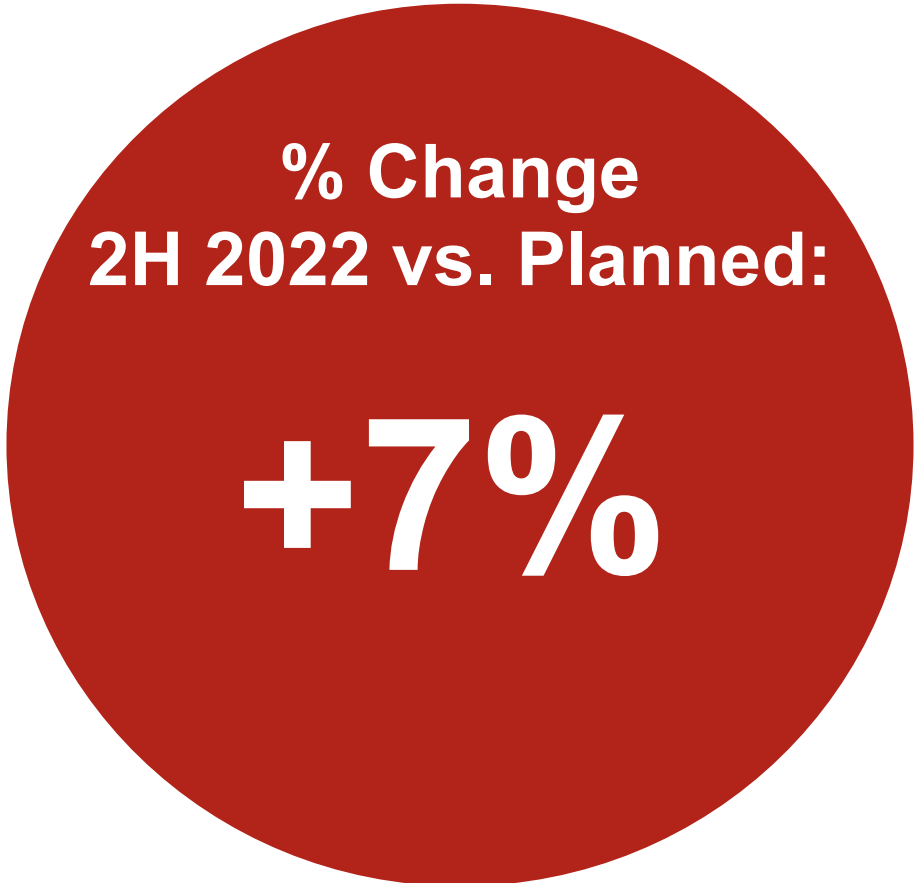
Outlook for 2023

- Nearly 3-in-4 buyers (71%) think the U.S. is now or likely to experience a slowing economy that will decrease ad spend within the next year
 - Of those, the majority (84%) expect ad spend to be impacted in 1H 2023
- However, buyers still expect 2023 ad spend to be up vs. 2022: +10% (based on 2H data)
 - This represents a slowing of growth as opposed to a reduction in YoY spend at this point in time

2H 2022 Ad Spend vs. Planned

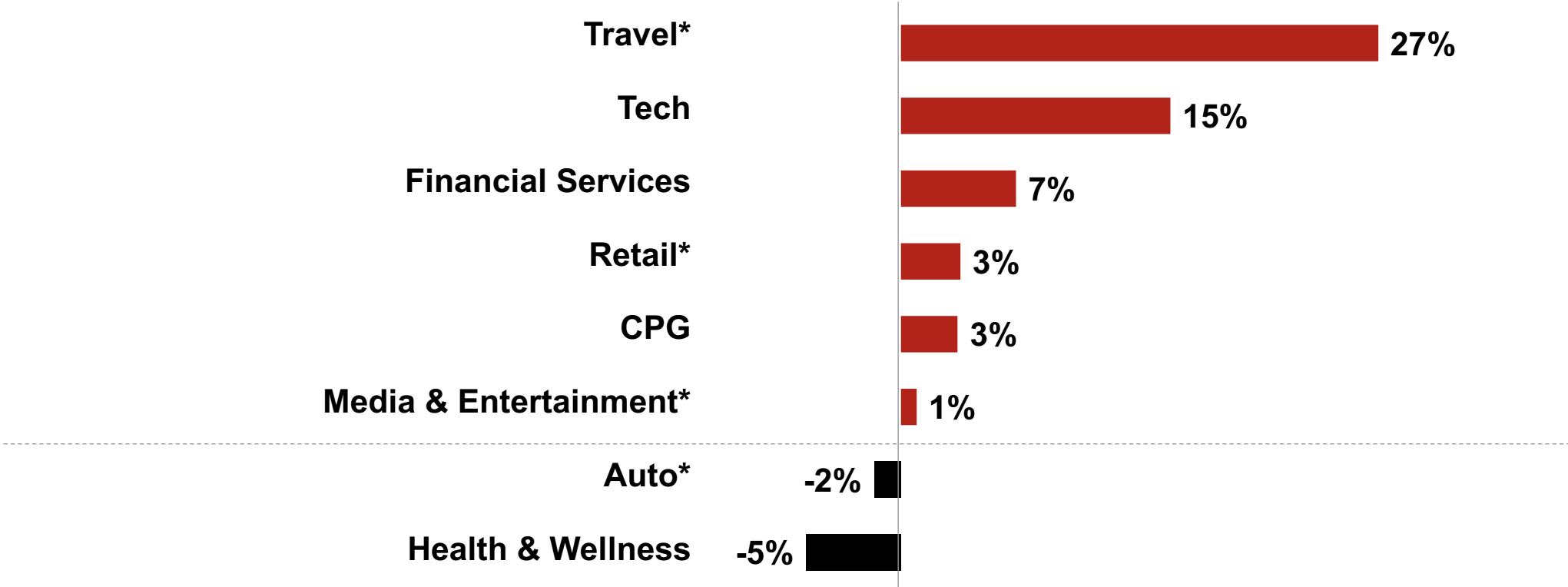
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Buyers expect 2H 2022 ad spend to be up +7% vs. originally planned



2H 2022 ad spend growth is not uniform across categories

% Change 2H 2022 Ad Spend vs. Original Plans, by Category

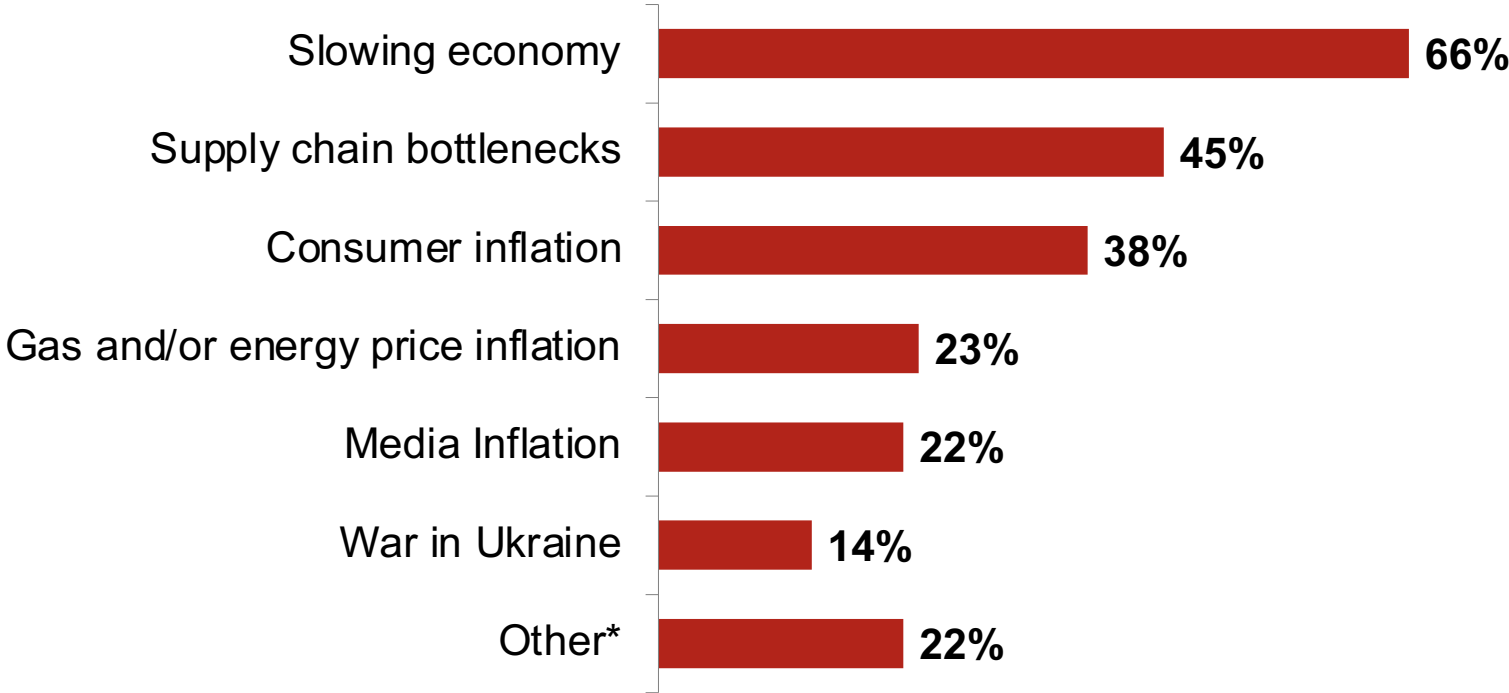


n=floating base
Q: Please provide your estimated percent change (+/-) in projected total U.S. media spend for the second half of 2022 (July-Dec.) vs. your original plan for the second half of 2022.
*Note: for directional use only due to lower sample size. Other categories are not listed as reliable sample was not achieved.

For those lowering 2H 2022 ad spend, the #1 contributor is a “slowing economy”

Factors Contributing to 2H 2022 Ad Spend Reductions

Among those reducing 2H 2022 ad spend

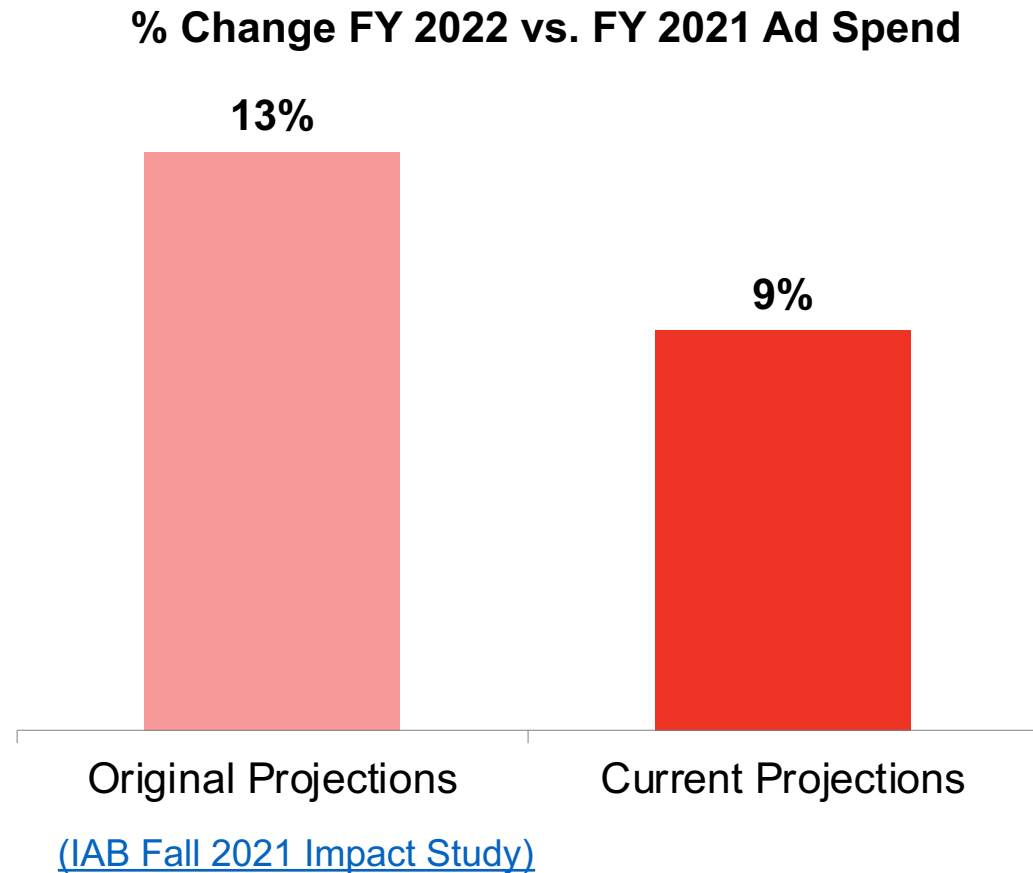


Among those reducing projected total U.S. media spend for the second half of 2022 (Jul-Dec), n=74

Q: You indicated that you are reducing your projected total U.S. media spend for the second half of 2022 (July-Dec.). Select any of the following that are contributing to that reduction.

*Note: “Other” includes various responses, e.g., COVID, budget shifts/restructuring, and other business challenges

Buyers expect FY 2022 to be +9% vs. FY 2021—down from +13% as originally projected

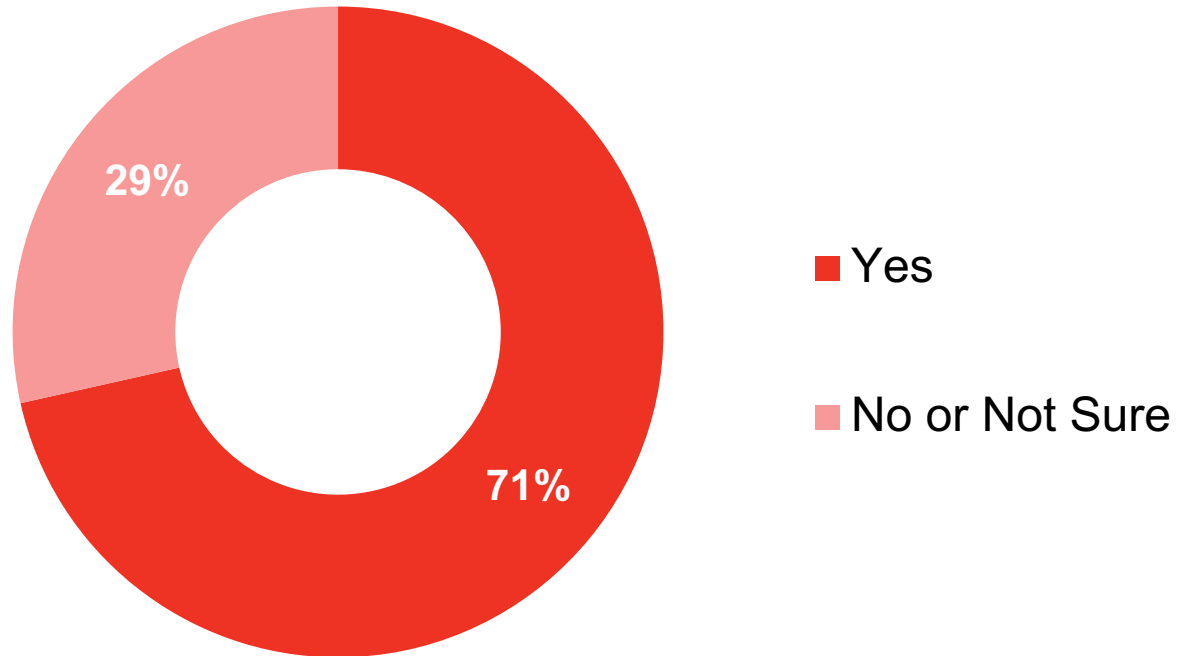


Outlook for 2023

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Nearly 3-in-4 buyers think the U.S. is either currently or likely to experience a slowing economy that will decrease ad spend within the next year

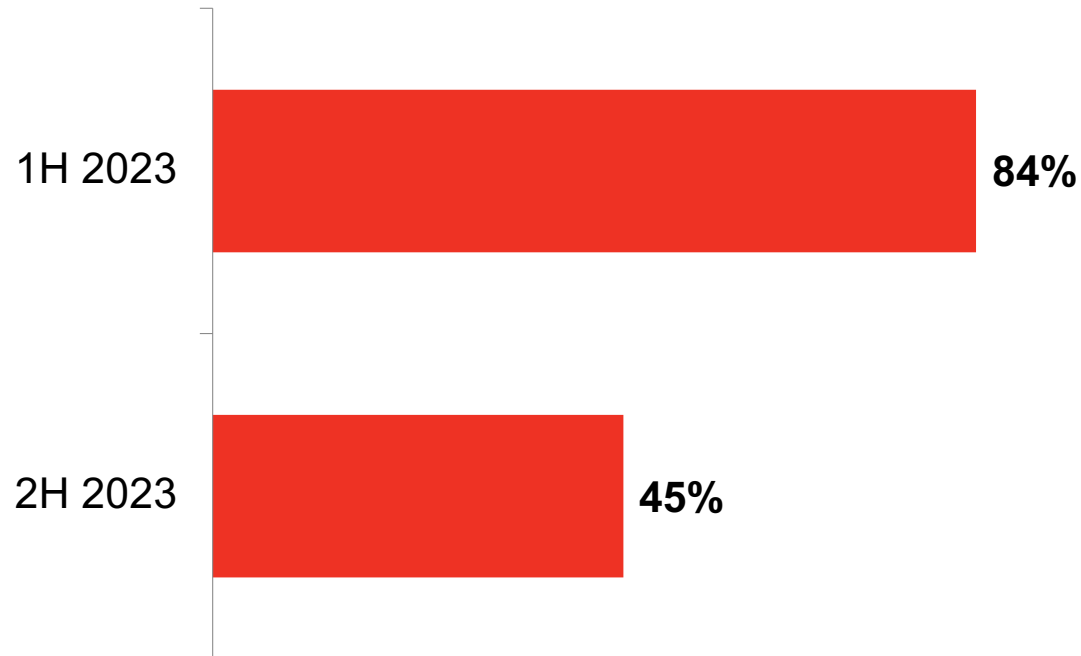
% Who Think the U.S. is Currently Experiencing / Likely to Experience Within the Next Year a Slowing Economy that Will Decrease Total U.S. Ad Spend



The majority of buyers expect ad spend to be impacted by the U.S. economy in 1H 2023

Time Periods Where Actual Ad Spend Will be Less Than Initially Projected Due to the U.S.' Slowing Economy

Among those who think the U.S. is currently experiencing / likely to experience within the next year a slowing economy that will decrease total U.S. ad spend



Among those who think the U.S. is currently experiencing / likely to experience within the next year a slowing economy that will decrease total U.S. ad spend, n=95
Q: You indicated that you think the U.S. is currently experiencing or likely to experience within the next year a slowing economy that will decrease total U.S. ad spend. Select the following time periods in which you think actual spend will be less than initially projected as a result.

However, buyers still expect 2023 ad spend to be up vs. 2022: +10% (based on 2H data)

**Estimated % Change
2023 vs. 2022:**

+10%

Thank You!

For further information:

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The iAB logo is displayed in a white circle on the right side of the slide. It consists of the lowercase letters 'iab.' in a bold, black, sans-serif font. A small red dot is positioned above the 'i', and another red dot is positioned at the end of the period.

About IAB



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