

2024 Outlook

A Snapshot into Ad Spend, Opportunities,
and Strategies for Growth

November 2023





TABLE OF CONTENTS

OBJECTIVES	3
KEY INSIGHTS	4
2024 AD SPEND OUTLOOK	5
CHALLENGES & GROWTH STRATEGIES	10
PLANNING TIMEFRAMES	16
AD SUPPLY CHAIN SUSTAINABILITY	20
APPENDIX	23

METHODOLOGY & RESPONDENT PROFILE

ABOUT IAB

Objectives

Purpose:

2024 Outlook: A Snapshot into Ad Spend, Opportunities, and Strategies for Growth was conducted by IAB to provide the digital ad-supported ecosystem with a forward-looking view into the 2024 ad spending marketplace (including both spend levels and strategies) being projected by buy-side ad investment decision-makers, primarily at brands and agencies.

What's Included:

- A view into overall ad spend as well as at the channel level
- A perspective on industry challenges and growth strategies
- Insights into planning timeframes and ad supply chain sustainability practices

How to Use the Results:

- Plan for the year ahead
- Benchmark competitive positioning / strategy in the marketplace
- Identify white space, channels, and opportunities, brainstorm ideas for launching new products and services, finding new targets, and growing ROI



Key Insights



01

2024 AD SPEND OUTLOOK

Buyers project to increase their ad spend 9.5% in 2024 vs. 2023. All digital channels are expected to post ad spend growth in 2024, led by CTV, Social, and Search.

02

CHALLENGES & GROWTH STRATEGIES

Buyers' top goals for 2024 span the purchase funnel: customer acquisition, brand equity, and media efficiency, while their top challenges are economic and measurement / data-driven.

03

PLANNING TIMEFRAMES

Buyers are now planning media with multiple iterations: 70% are planning their buys quarterly or more frequently. 63% are also reforecasting more often due to market dynamism.

04

AD CAMPAIGN SUSTAINABILITY

Only 1-in-5 buyers are currently requiring partners to meet ad campaign sustainability requirements. Buyers are largely undecided about if and how partner ad sustainability policies will impact their ad spending.

1 2024 AD SPEND OUTLOOK



**Buyers project to
increase their ad
spend 9.5% in 2024
vs. 2023**



**% Change
2024 vs. 2023:**

+9.5%

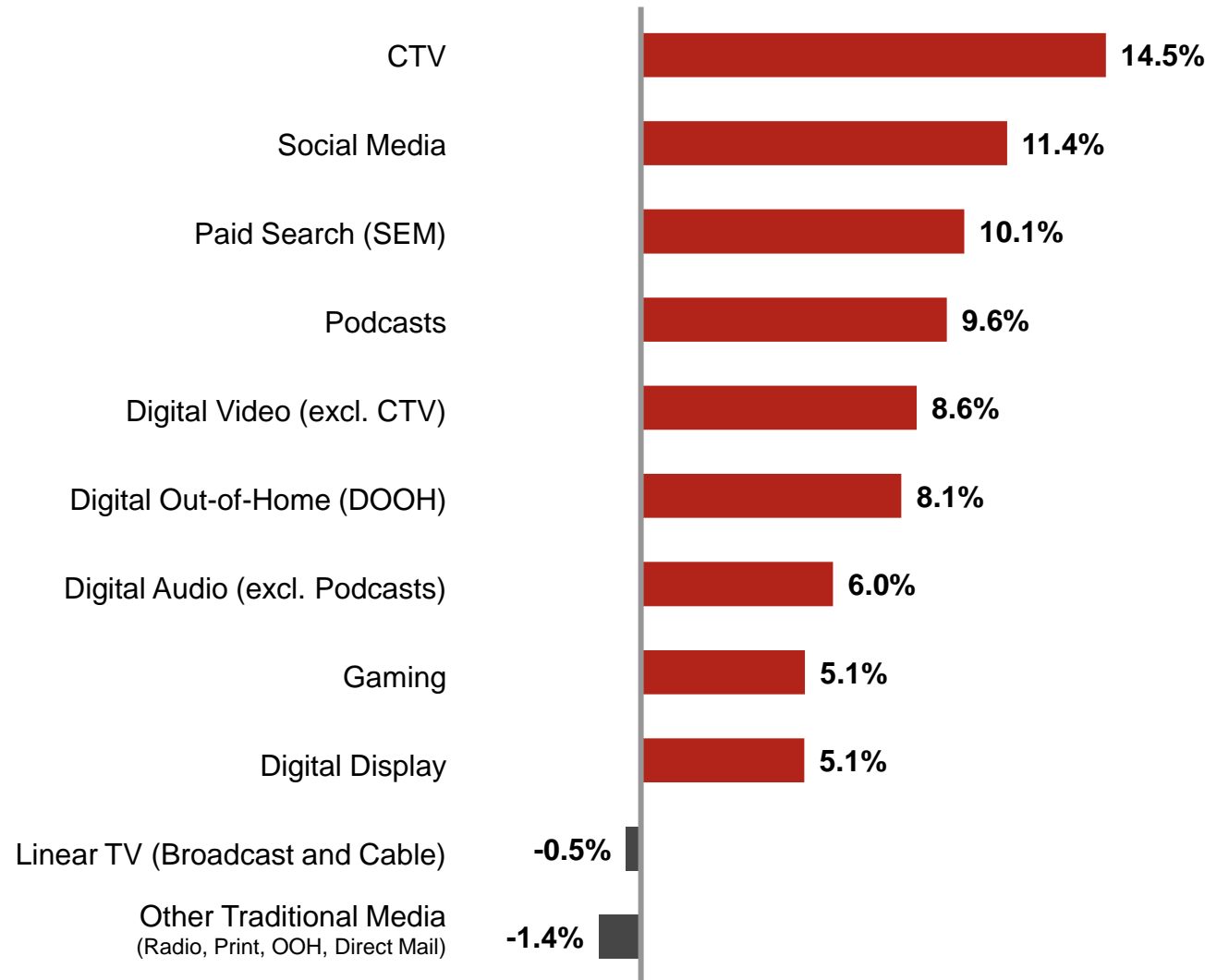
n=203

Q: Provide your best estimate for the following: budget percent +/- for projected 2024 total media ad spend vs. actual 2023 total media ad spend.

All digital channels are expected to post ad spend growth in 2024, led by CTV, Social, and Search

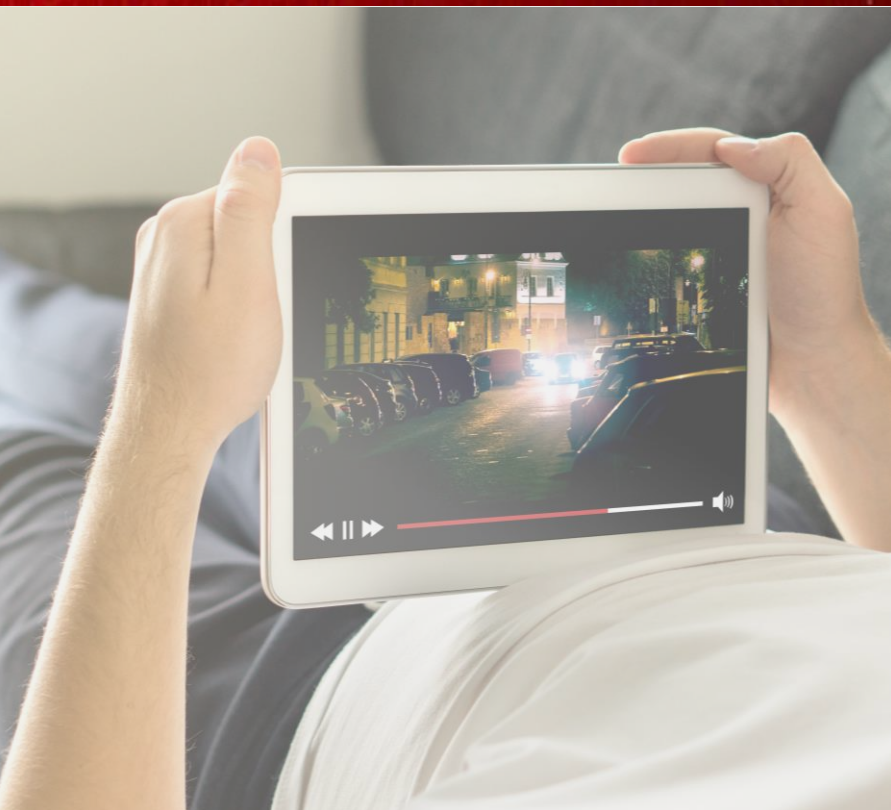


% CHANGE AD SPEND 2024 vs. 2023, BY CHANNEL

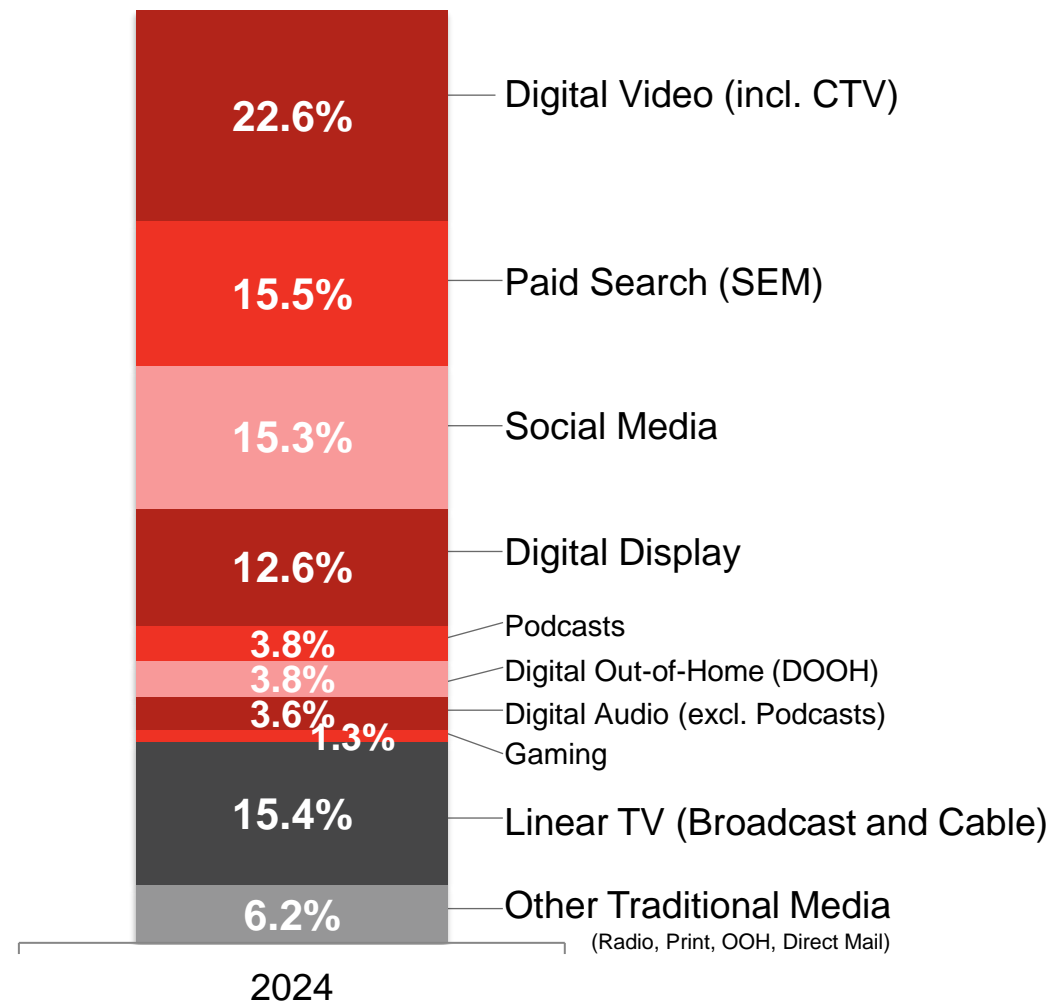


n=floating base
Q: Provide your best estimate for the following: budget percent +/- for projected 2024 total media spend vs actual 2023 total media ad spend by CHANNEL.

**Digital video (incl. CTV)
will capture the
greatest % share of ad
spend in 2024**



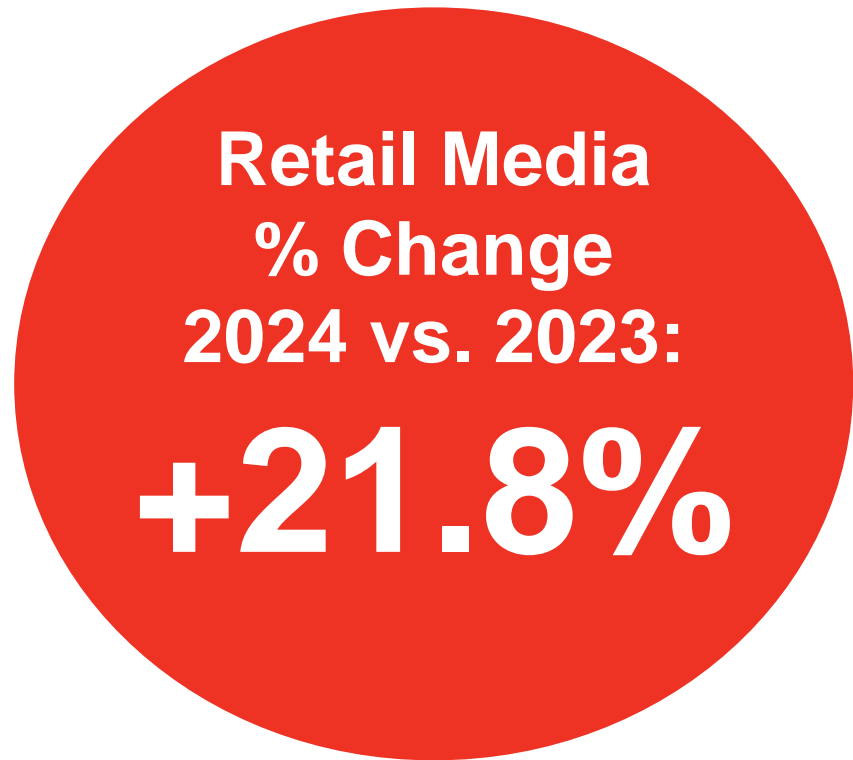
% SHARE 2024 AD SPEND BY CHANNEL



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Q: Provide your best estimate for your budget PERCENT SHARE by CHANNEL for projected 2024 media ad spend.

Retail Media ad buyers (primarily CPG / beauty) project to increase their ad spend in the channel 21.8% in 2024 vs. 2023



IAB's Retail Media 2023 study found that brand buyers are reallocating funds to increase Retail Media dollars from across digital platforms (incl. social, search, digital video/CTV), traditional media (incl. linear TV, print, OOH), and “below-the-line” shopper/trade marketing.



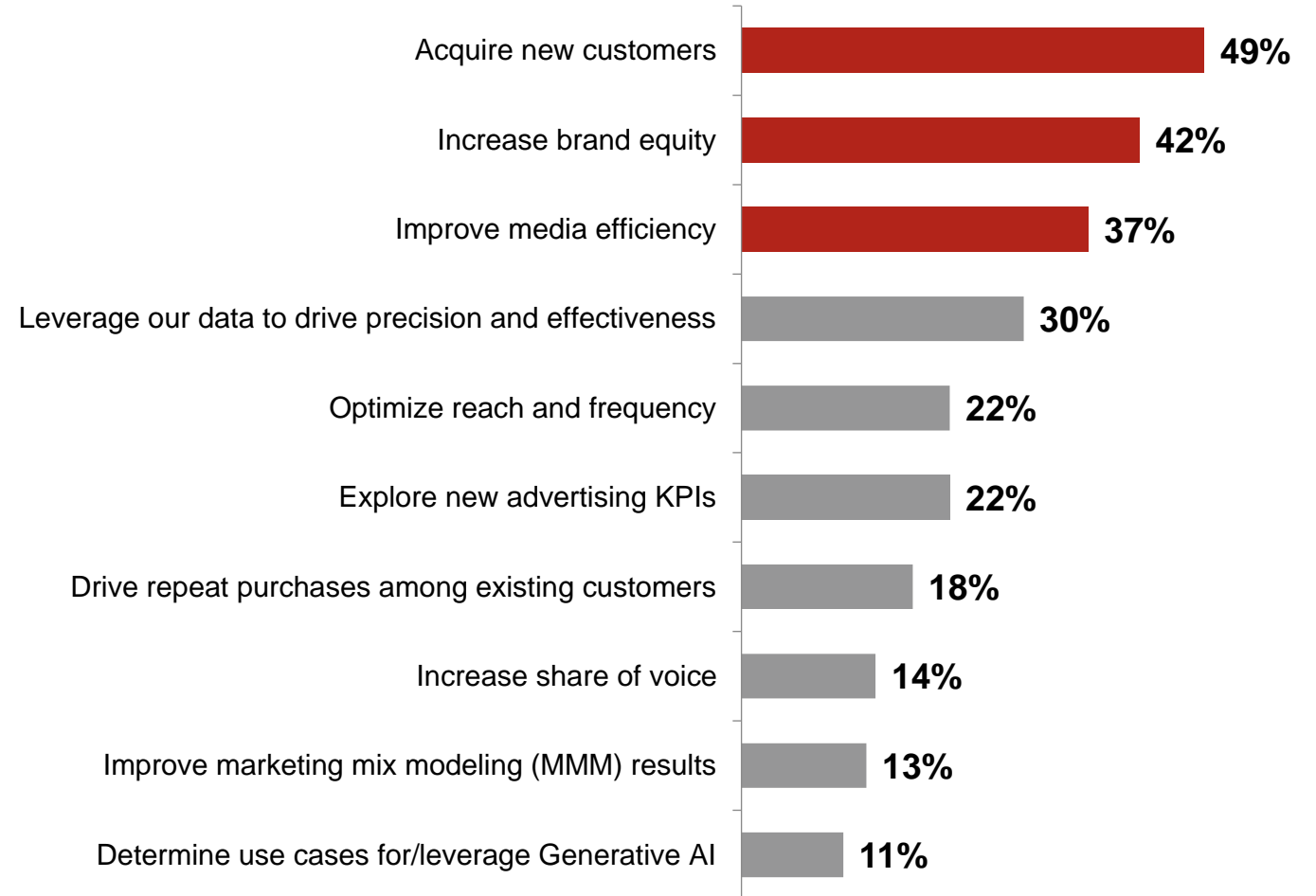
2 CHALLENGES & GROWTH STRATEGIES



Buyers' top goals for 2024 span the purchase funnel: customer acquisition, brand equity, and media efficiency



TOP 3 GOALS FOR MEDIA INVESTMENTS IN 2024

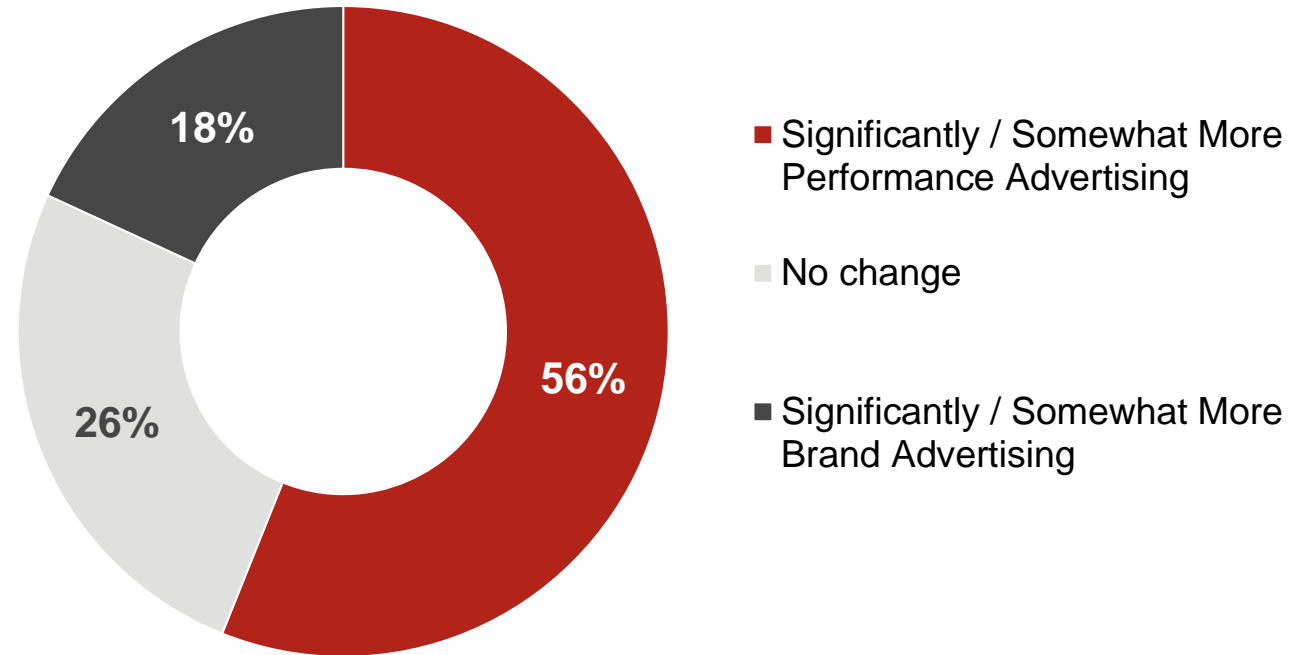


n=203; Answer choices below 10% not shown
Q: What are your top three goals for your 2024 media investments? Select up to 3.

To achieve their goals,
more than half (56%) of
buyers are increasing
performance
advertising in 2024



2024 SHARE OF SPEND ON PERFORMANCE VS. BRAND ADVERTISING



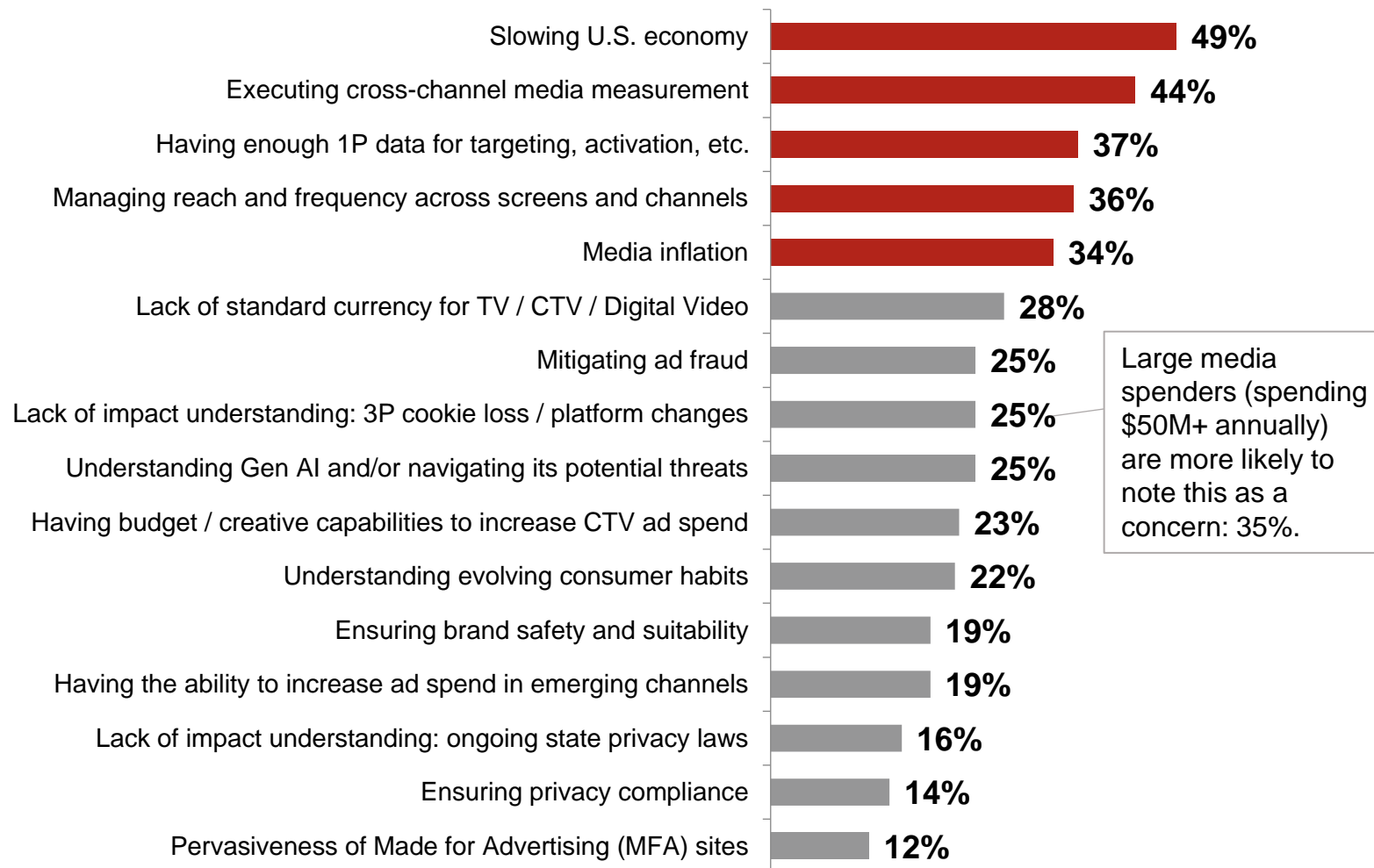
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Q: In 2024, how will your share of spend on performance advertising change compared to brand advertising? In 2024, I will spend...

Buyers' top challenges for 2024 are economic and measurement / data-driven



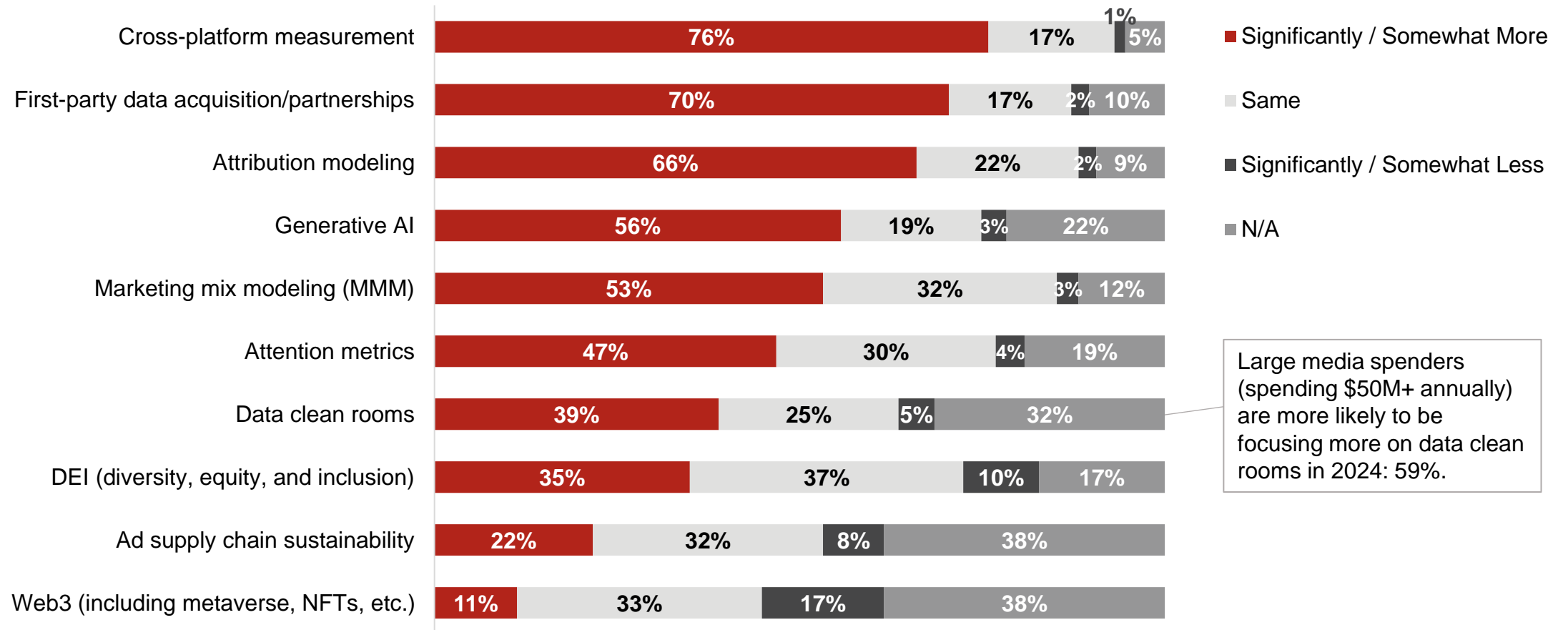
GREATEST CONCERNS FOR MEDIA INVESTMENTS IN 2024



n=203; Answer choices below 10% not shown
Q: What are your greatest concerns and/or challenges regarding media investment in 2024? Select all that apply.

As a result, buyers will be highly focused on measurement and targeting, including cross-platform, first-party data, and modeling

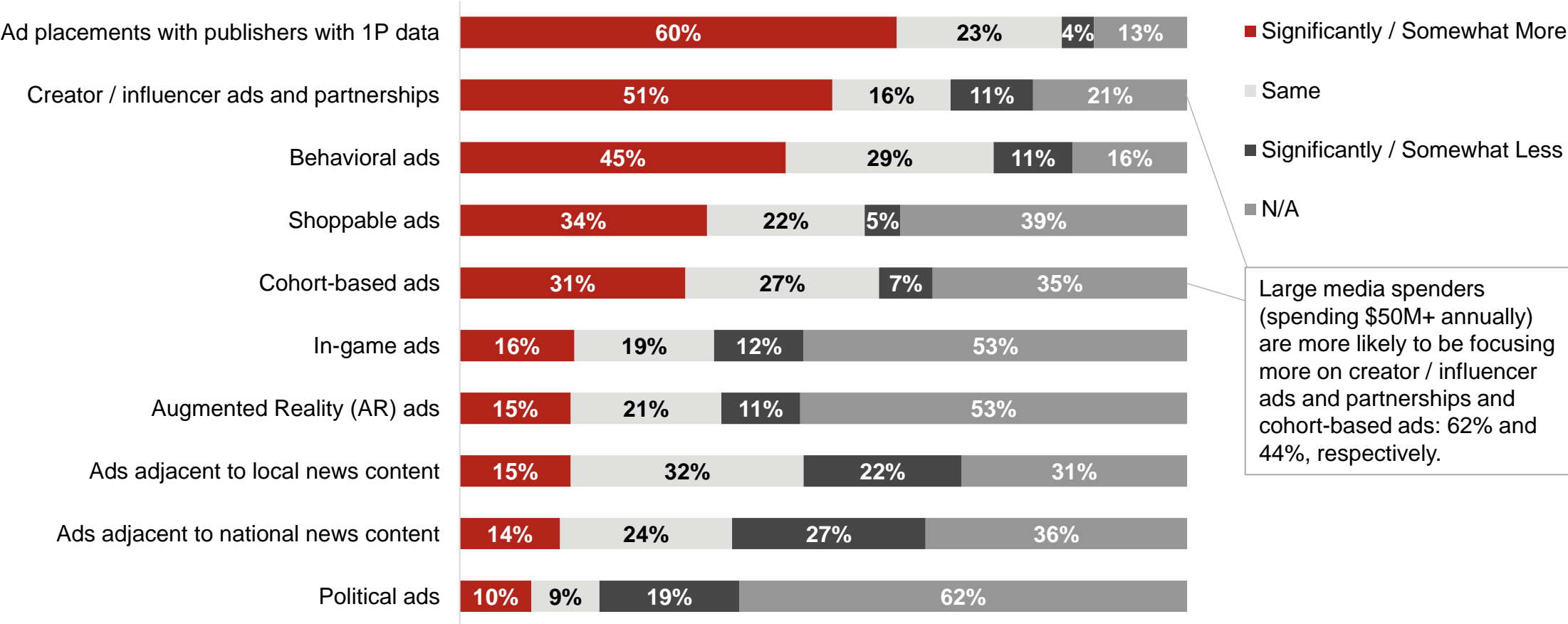
TOPICS / SOLUTIONS: LEVEL OF FOCUS IN 2024



n=203
Q. Do you expect to FOCUS more, less, or the same amount of time and/or resources in 2024 (vs. 2023) on the following?

And ad placements with publishers that have first-party data are by far buyers' top ad focus in 2024

AD TYPES: LEVEL OF FOCUS IN 2024



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 Q: Do you expect to FOCUS more, less, or the same amount of time and/or resources in 2024 (vs. 2023) on the following?

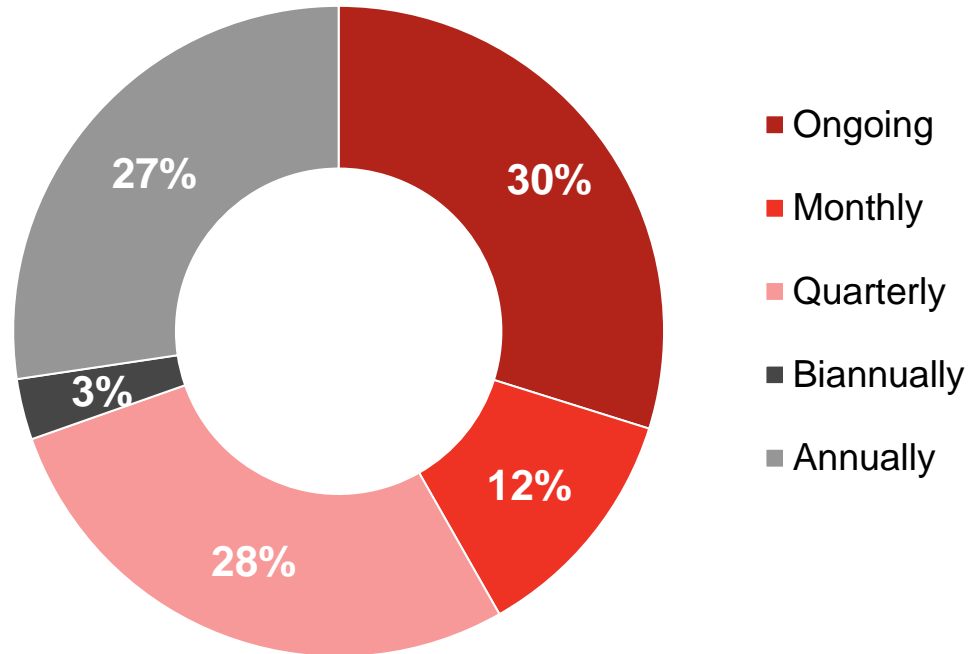
3 PLANNING TIMEFRAMES



Buyers are planning media with multiple iterations: 70% are doing so quarterly or more frequently



TIMEFRAME USED TO PLAN MEDIA BUYS



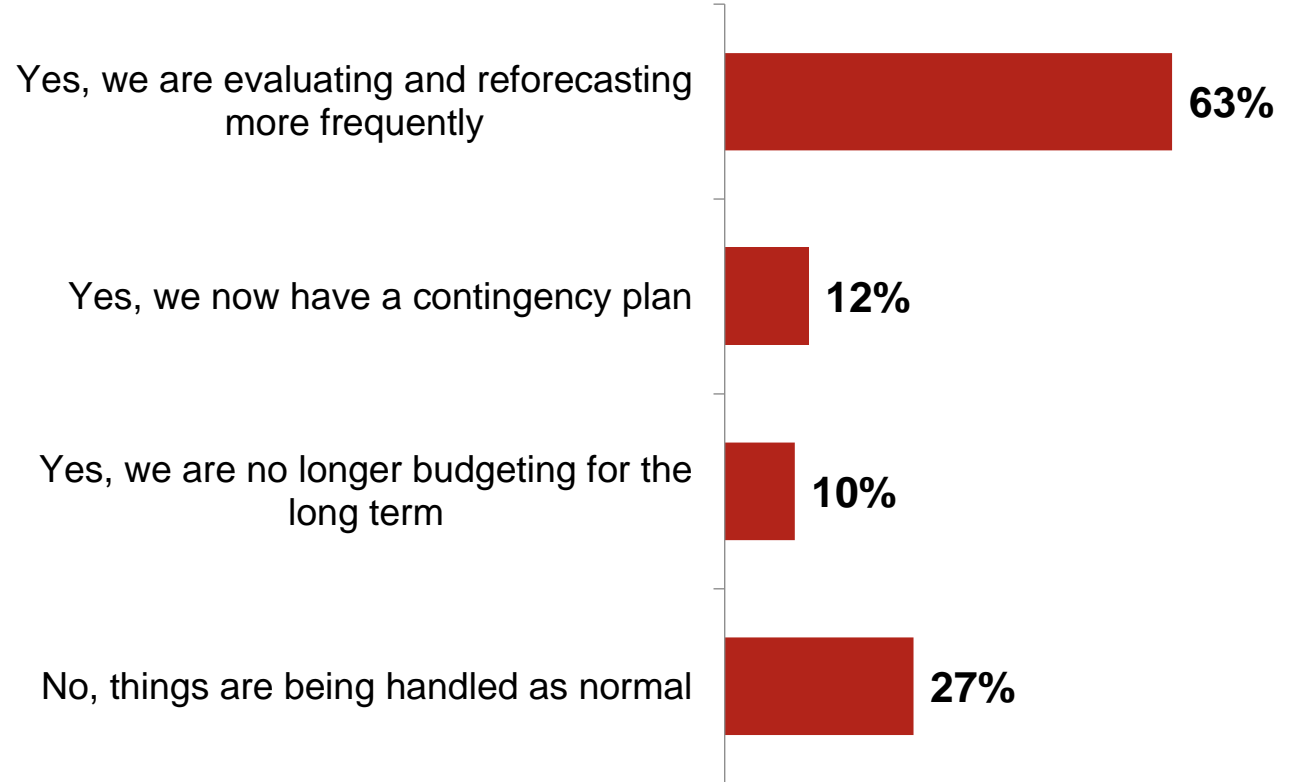
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Q: What timeframe do you use to plan your media buys?

Agility is key:

Budgets are being evaluated more frequently in times of economic uncertainty



% APPROACHING 2024 MEDIA PLANNING DIFFERENTLY DUE TO MARKETPLACE DYNAMISM



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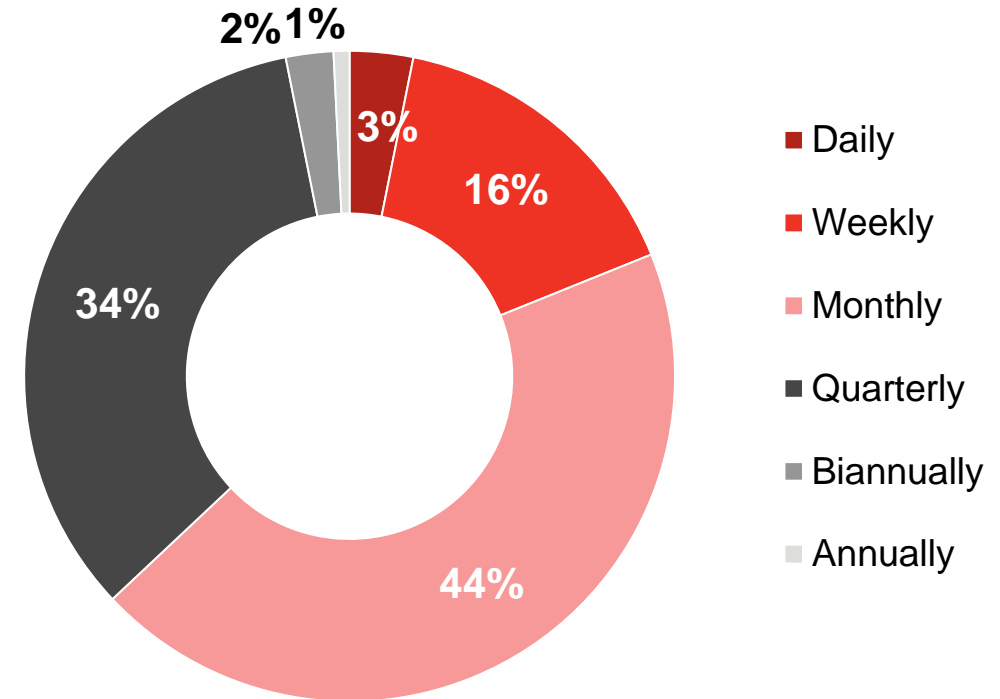
Q: Given the marketplace dynamism, are you approaching 2024 media ad spend planning differently than you normally would? Select all that apply.

Of those reforecasting more frequently, 63% are doing so monthly or more often



FREQUENCY OF ADJUSTING 2024 MEDIA PLANS

Among those evaluating and reforecasting 2024 media ad spend more frequently as a result of changing marketplace dynamics



n=128, Among those evaluating and reforecasting 2024 media ad spend more frequently as a result of changing marketplace dynamics
Q: You indicated that you are evaluating and reforecasting 2024 media ad spend more frequently as a result of changing marketplace dynamics.
How frequently are you adjusting your plans?

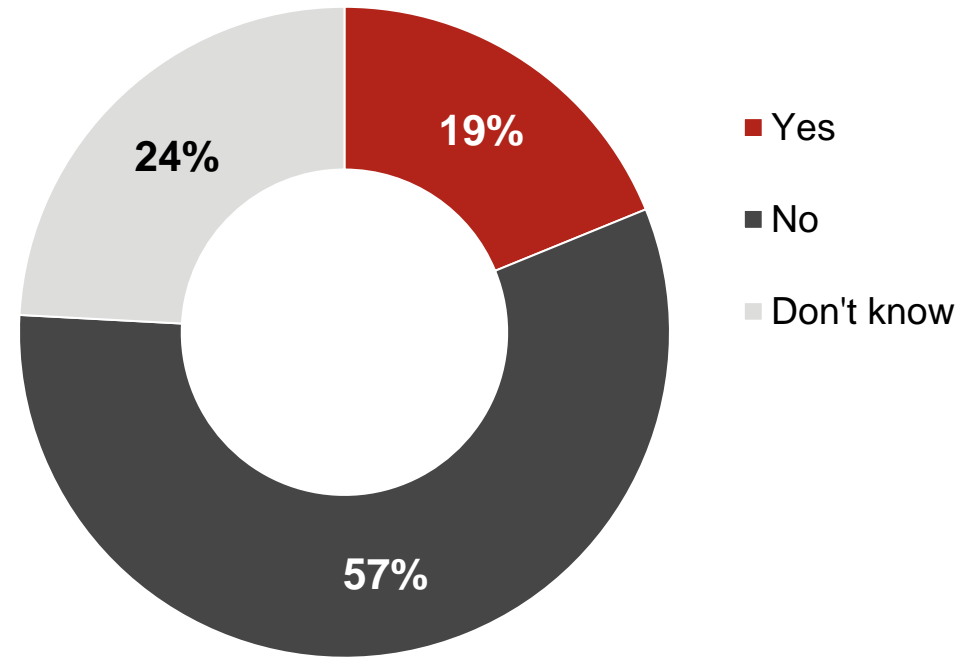
4 AD SUPPLY CHAIN SUSTAINABILITY



Only 1-in-5 buyers are currently requiring partners to meet ad campaign sustainability requirements



WHETHER BUYERS REQUIRE THEIR PARTNERS TO MEET AD CAMPAIGN SUSTAINABILITY REQUIREMENTS



n=203

Q: Do you require your ad partners to meet minimum requirements for ad supply chain sustainability in RFPs and I/Os (requests for proposals and insertion orders)?

Buyers are largely undecided about if and how partner ad sustainability policies will impact their ad spending



AD CAMPAIGN SUSTAINABILITY POLICIES

■ Strongly / Somewhat Agree ■ Neither ■ Strongly / Somewhat Disagree

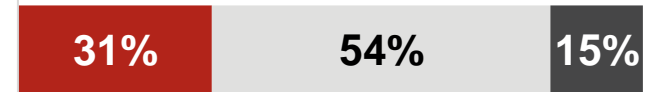
Ad partner sustainability policies do not impact decisions regarding RFPs



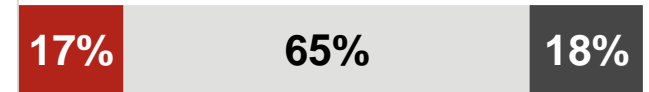
Ad supply chain sustainability policies do not impact my ad budget



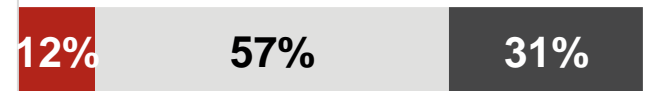
I'm more likely to use ad partners with sustainability policies



I spend more with ad partners that have sustainability policies



I will not spend with ad partners that do not meet my minimum sustainability requirements



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Q: To what extent do you agree or disagree with the following about an ad partner's ad supply chain sustainability policies?

Thank You!

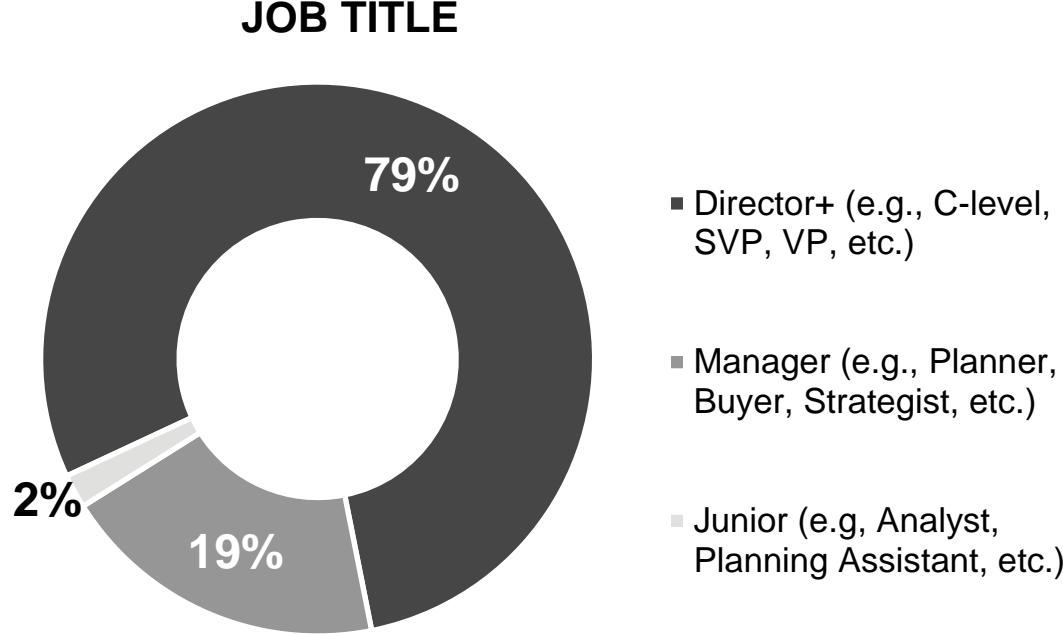
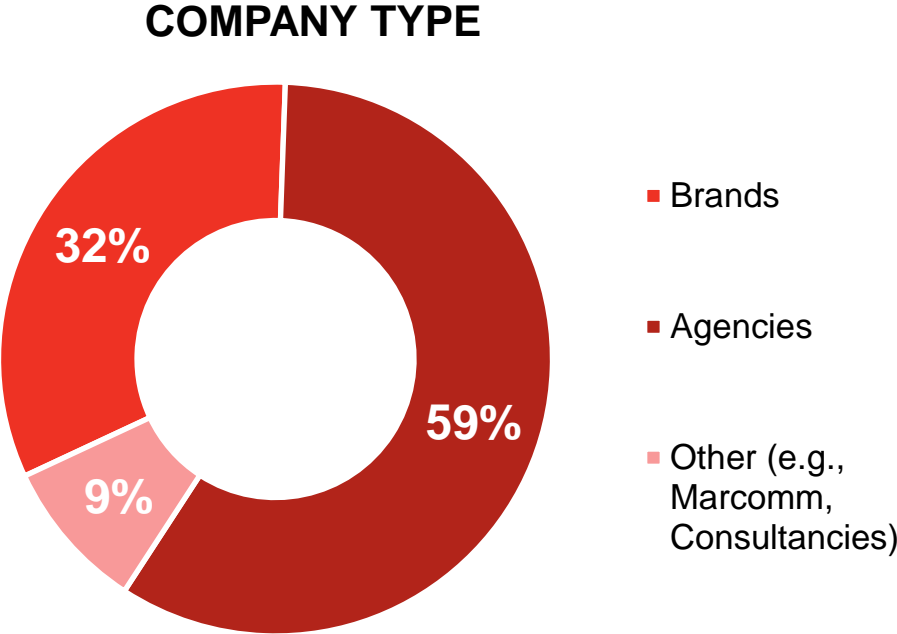
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- Meredith Guinness (meredith@iab.com)

The logo for iAB, featuring 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 to the right of the 'b'. The logo is centered within a white circular area that is part of a larger orange circular graphic on the right side of the slide.

Methodology & Respondent Profile

Email survey sent to buy-side ad investment decision-makers, primarily at brands and agencies
Field dates: 10/20/23-11/9/23
n=203



About IAB



The [Interactive Advertising Bureau](#) empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, 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.