

# 2024 DIGITAL VIDEO AD SPEND & STRATEGY REPORT

PART ONE: MARKET SIZE &  
GROWTH PROJECTIONS

APRIL 2024



iab.



Advertiser  
Perceptions

Strategic Market Intelligence. ACTIVATED.



Guideline



# FOREWORD

IAB's *Digital Video Ad Spend & Strategy* report provides a lens into the trends within the TV/digital video market and offers guidance for buyers and sellers on how to position and differentiate their strategies based on the market opportunity.

IAB partnered with Guideline, which leveraged its proprietary ad billing data, other market estimates, and an IAB-commissioned Advertiser Perceptions quantitative survey of TV/digital video ad spend decision-makers to generate these results.

This report, the first of two in 2024, focuses on the ad spend market size and growth projections for digital video in the U.S. including CTV, social video, and online video.

It projects digital video to be one of the fastest growing ad spend channels in all of media, poised to gain a majority share over linear TV in 2024. Meanwhile, all digital video types are projected to see double-digit spend increases in 2024 - including CTV which is expected to grow 32% faster than total media overall.

This year's report also reveals for the first time ever category-level ad spend projections, which found that most categories overall are projecting double-digit growth vs. 2023.

Part two of this report, focusing on the strategies behind these growth rates, will be publicly released on July 15<sup>th</sup> during the IAB Media Center's Video Leadership Summit.





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# KEY INSIGHTS



01

**Digital video continues to be one of the fastest growing channels in all of media.**

U.S. digital video ad spend, including CTV, social video, and online video (OLV), climbed 15% YoY and is projected to grow 16% in 2024 – nearly 80% faster than total media overall\*.

02

**Digital video is projected to surpass linear TV in ad spend in 2024\*\*.**

Digital video will generate \$63B in ad spend in 2024 and earn 52% of total share vs. linear TV. In the last four years, share has shifted nearly 20 percentage points to digital video from linear TV.

03

**Most categories will increase digital video ad spend by double-digits in 2024.**

Led by CPG and retail, brands are increasing ad investment in digital video at significantly greater rates than total media overall.

04

**CTV is projecting double-digit ad spend growth in 2024.**

CTV ad spend exceeded \$20B for the first time ever in 2023 and is projected to grow 12% in 2024 to nearly \$23B, – 35% larger than online video.

05

**CTV and social video continue to be the top ‘must buys’ among the largest ad spenders.**

CTV and social video are valued as audience-addressable channels that span the purchase funnel by delivering both scale and performance outcomes.

SECTION

1



# DIGITAL VIDEO MARKET SIZE & GROWTH PROJECTIONS

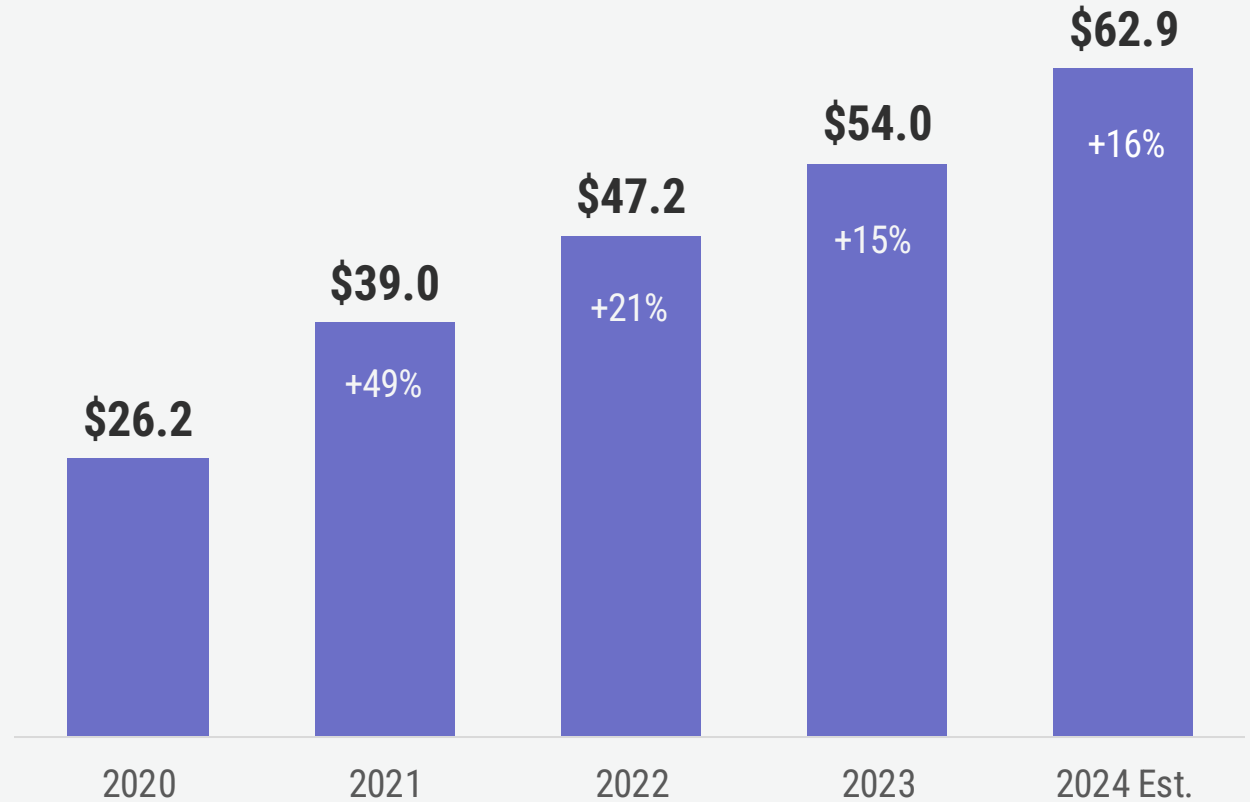
**Digital video ad spend rose 15% in 2023 to \$54B and is projected to grow 16% in 2024 to \$63B**

Including CTV, social video, and online video (OLV), digital video is one of the fastest growing channels in all of media and is projected in 2024 to grow nearly 80% faster than total media overall\*.



**U.S. ANNUAL DIGITAL VIDEO AD SPEND (\$B)**

\*DIGITAL VIDEO INCLUDES CTV, SOCIAL VIDEO, AND ONLINE VIDEO



# Digital video is projected to surpass linear TV in ad spend in 2024

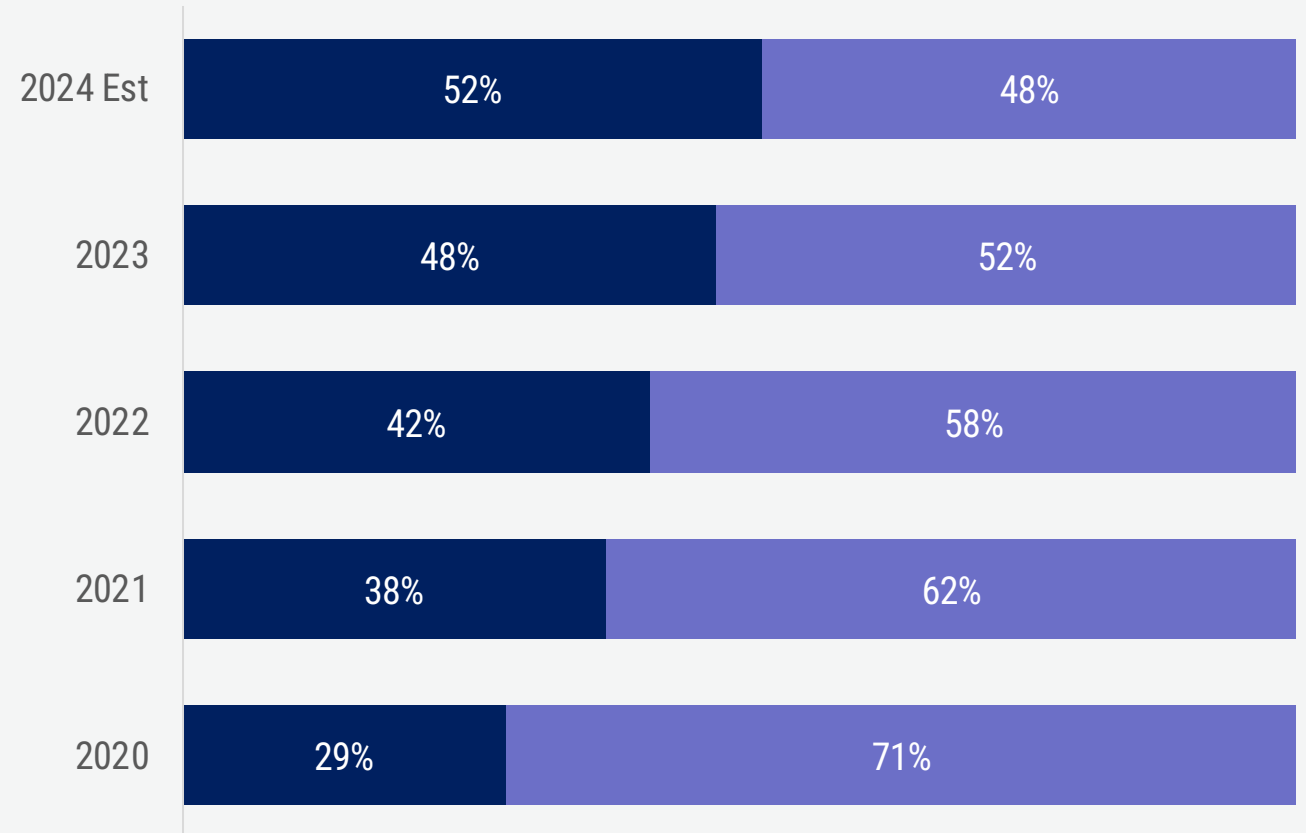
Since 2020, ad spend share has shifted nearly 20 percentage points from linear TV to digital video\*.

As the shift in viewership from linear TV to streaming accelerates, ad spending is also transitioning. E.g., the largest pay TV providers lost 5M subscribers in 2023, adding to the 4.6M lost in 2022. This reflects an ongoing annual decrease in subscribers of approximately 6%\*\*.



## U.S. TOTAL ANNUAL TV/VIDEO SPEND SHARE

■ Digital Video\* ■ Linear TV

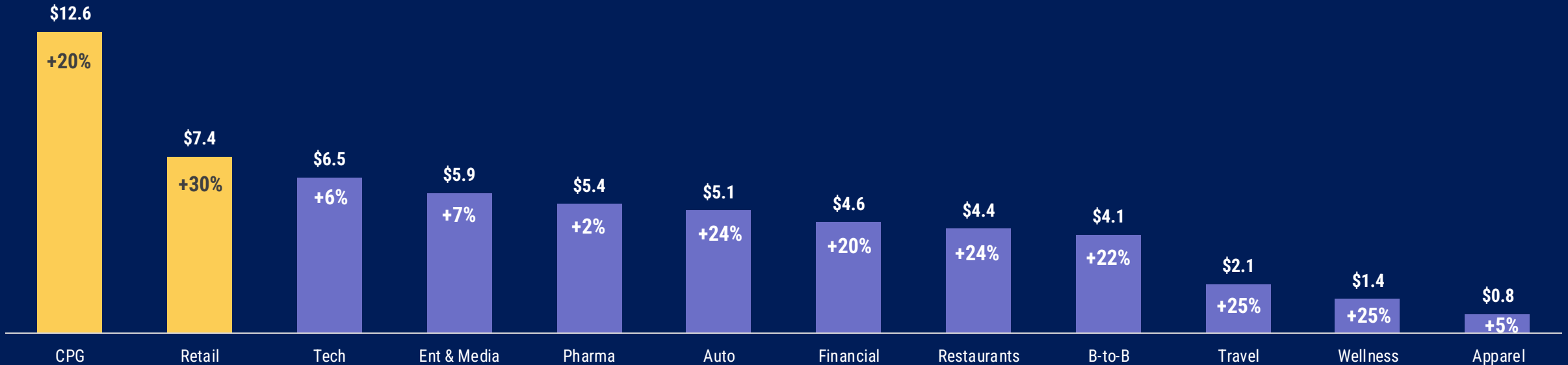


## Led by CPG and retail, most categories will increase digital video ad spend by double-digits in 2024

CPG brands are leveraging CTV's increased scale, ability to connect with consumers directly, and streaming companies' partnerships with retail media networks. Retail, auto, and restaurant brands are finding significant value in the ability to personalize messaging based on geography.

### U.S. 2024 ESTIMATED DIGITAL VIDEO AD SPEND BY CATEGORY (\$B)

YoY Estimated Growth (2024 vs. 2023)





# All digital video types are projected to post double-digit spend increases in 2024

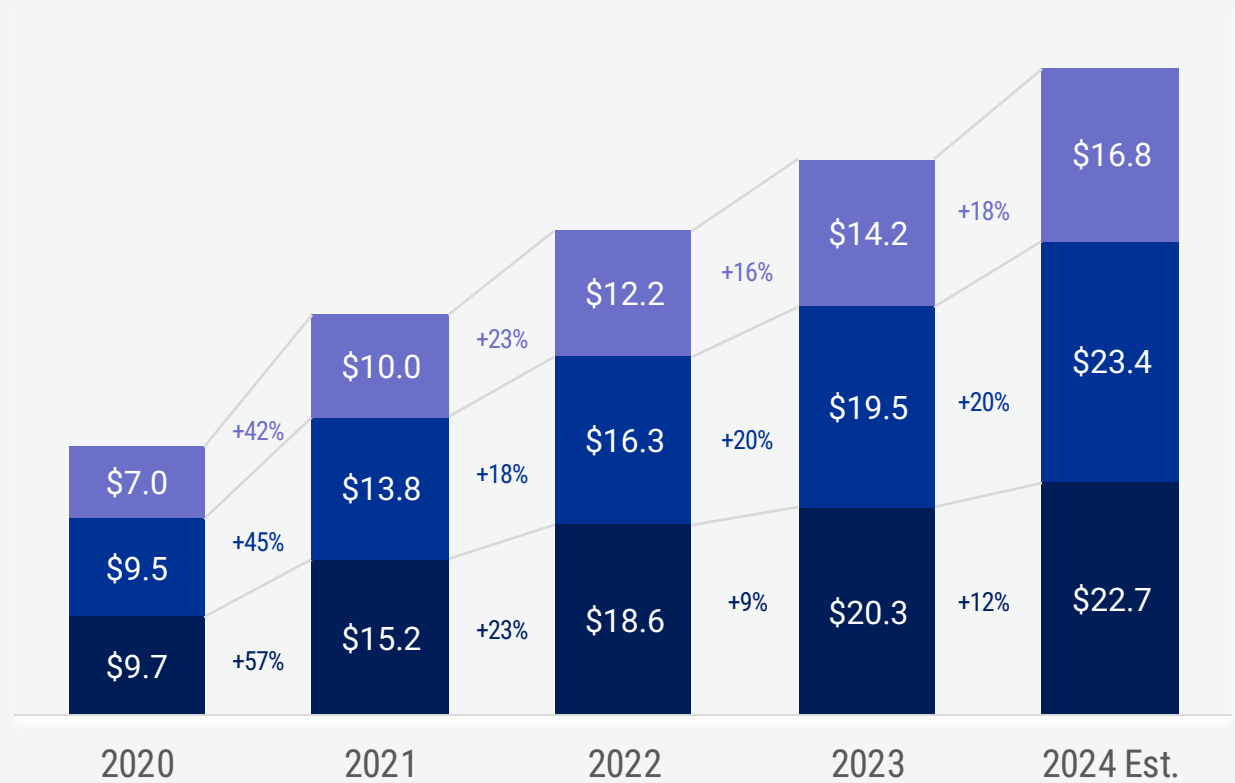
CTV ad spend exceeded \$20B for the first time in 2023 and is projected to grow 12% in 2024 – 32% faster than total media overall\*.

At \$22.7B in total spend volume, CTV's market size is projected to be 35% larger than OLV in 2024.



## U.S. ANNUAL DIGITAL VIDEO AD SPEND BY TYPE (\$B)

■ CTV   ■ Social Video   ■ Online Video



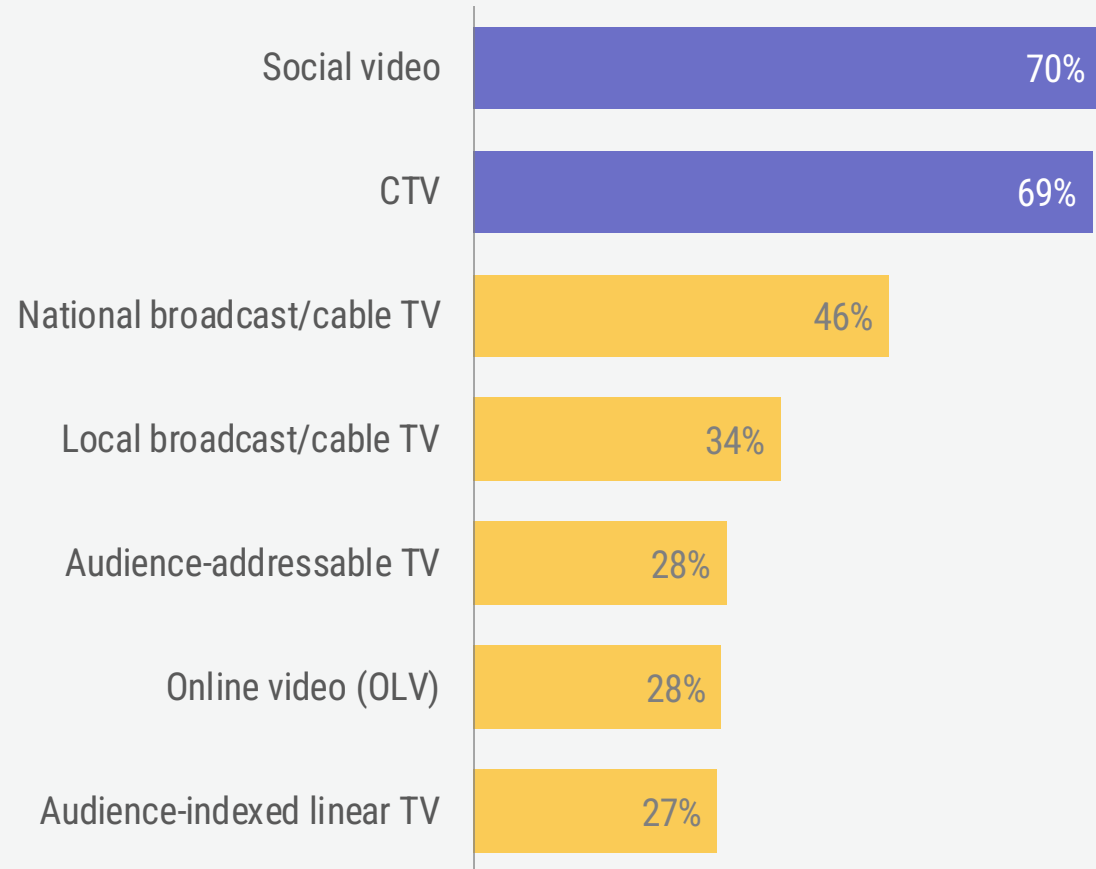
## CTV along with social video continue to be the top 'must buys' among the largest ad spenders\*

CTV and social video continue to be valued as audience-addressable channels that deliver both scale for branding at the top of the funnel and performance outcomes at the bottom of the funnel.



### % THAT CONSIDER A "MUST BUY" (NECESSARY FOR MEDIA PLAN)

\*BASE: \$50M+ IN ANNUAL US MEDIA SPEND



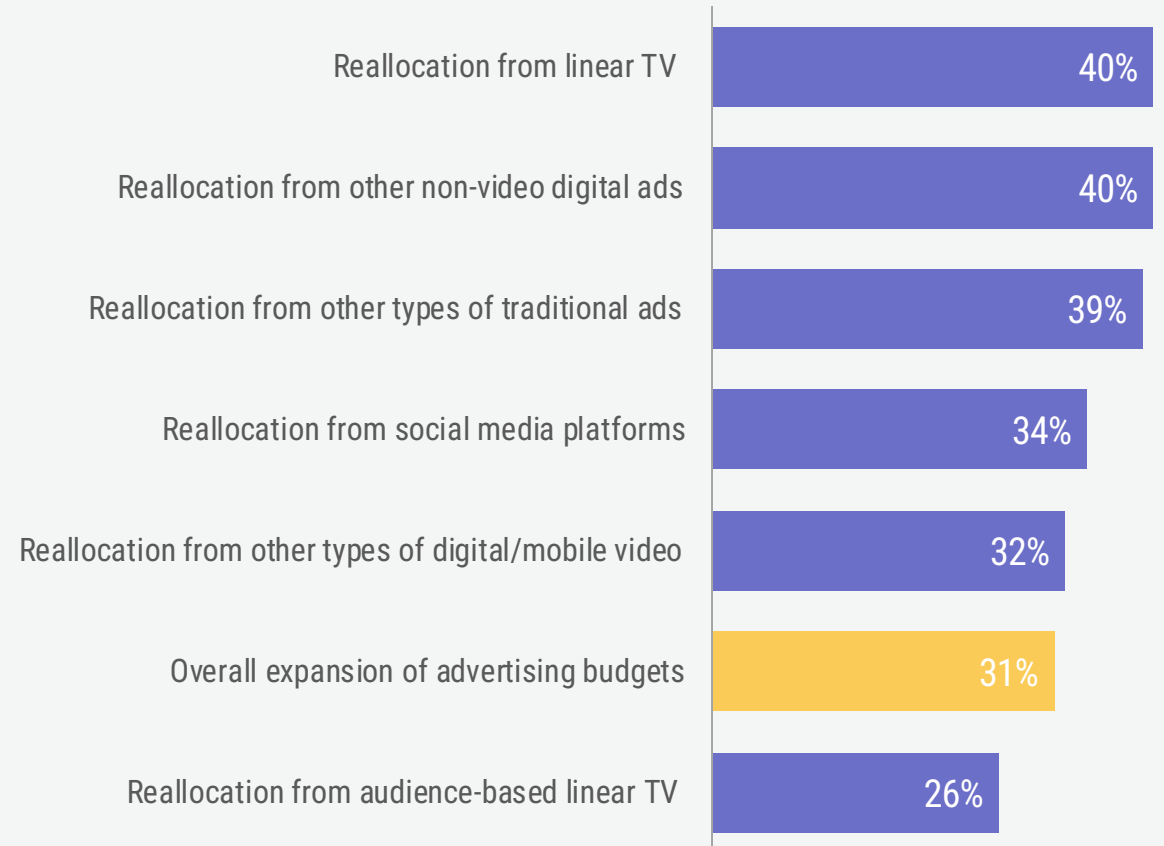
## Dollars flowing into CTV primarily come from reallocations – particularly linear TV and other traditional media

Reallocation to non-video digital channels increased by nine percentage points YoY. Per a 2024 Advertiser Perceptions study, one-third of advertisers identify their “general digital budgets” as a key funding source for CTV.



## FUNDING SOURCES FOR INCREASED CTV SPENDING

BASE: THOSE INCREASING CTV SPENDING IN 2024



SECTION  
2



# RECAP

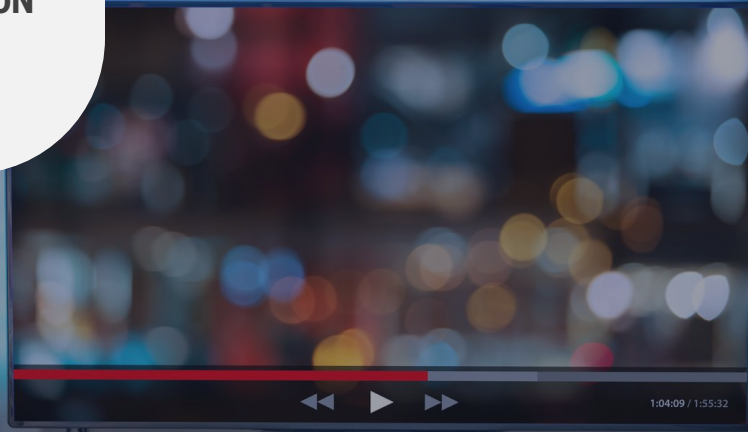


It is evident from this report that digital video will continue to be a go-to channel for advertisers looking to reach engaged audiences at scale across the purchase funnel.

Digital video's position as a leader in digital media is underscored by its double-digit growth rates and projections for ad spending. This trend is further reinforced by similar growth across its sub-categories, including CTV, social video, and online video. That most advertiser categories are projected to increase their spending in digital video by double-digits suggests there are opportunities for the full spectrum of brand advertisers.

Part two of this report, being released in July, will explore the strategies behind these spend projections and the solutions being used to overcome current market challenges.

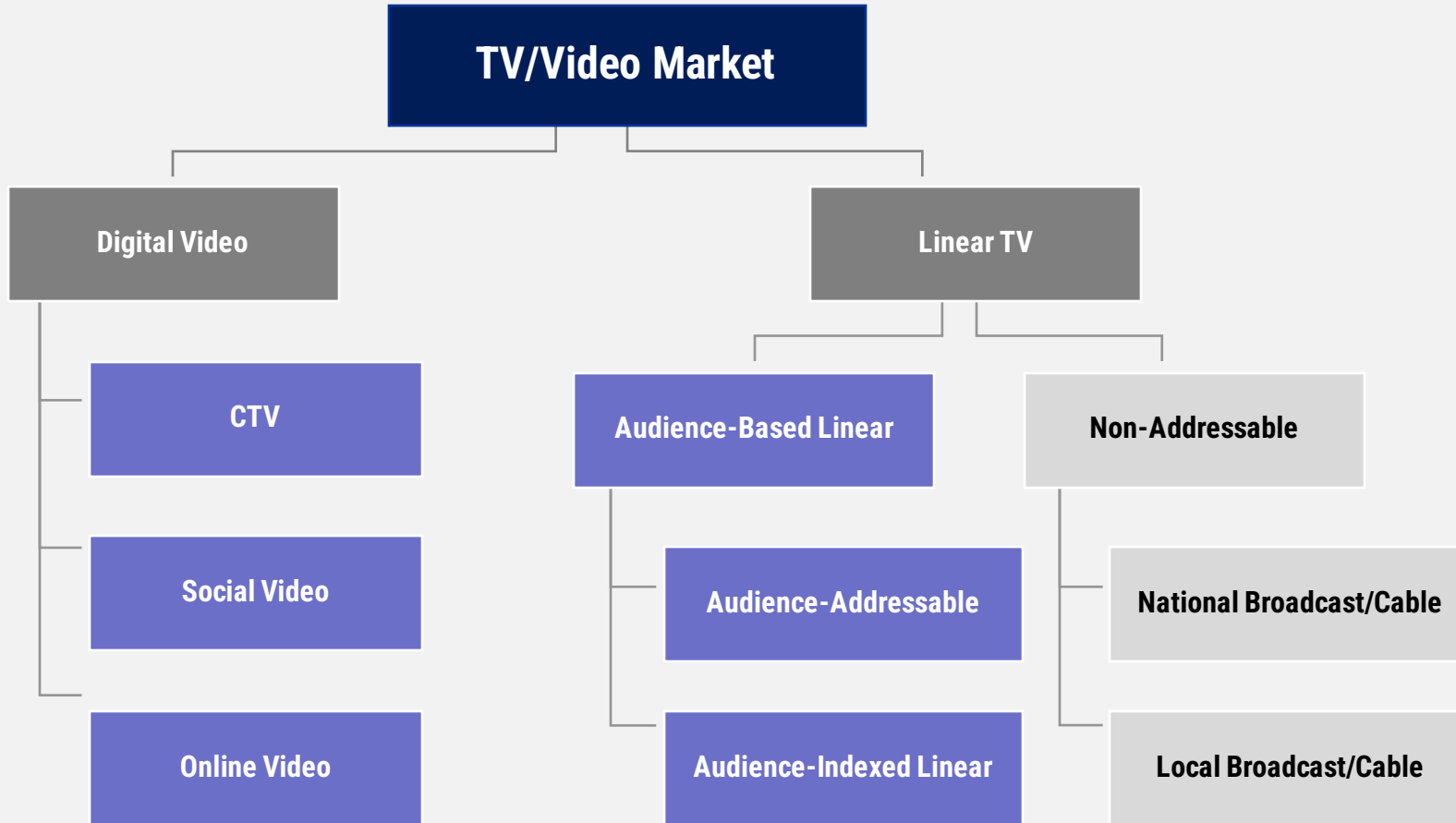
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# APPENDIX

# TV/Video Classification Guide



## TV/VIDEO TYPE KEY

- Audience-Based Addressable
- Non-Addressable

For detailed definitions, see the next slide

# TV/Video Classification Guide: Detailed Definitions

## DIGITAL VIDEO

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- **CTV:** TV-like Internet-delivered content, typically long-form and delivered via a Smart TV or OTT device, via subscription or non-subscription streaming video services. Some inventory may be distributed in the mobile or desktop environments and includes the following:
  - **AVOD** or advertising-based video on demand:
    - Free ad-supported streaming TV services, aka FAST (e.g., Pluto TV, Tubi, Xumo)
    - Ad-supported paid subscription video services (e.g., Hulu, Paramount+)
  - **vMVPDs** or virtual multichannel video programming distributor (e.g., Hulu Live TV, YouTube TV, Sling)
- **Social video:** Short-form video shared on social platforms, including TikTok, Instagram, Facebook, Snap, Twitter, YouTube, and others
- **Online video:** Short-form video from web/app-based publishers

## TELEVISION

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- **National broadcast/cable TV:** Traditional linear TV, bought for distribution nationally. Households viewing the same shows see the same ad. This includes any data-driven linear TV bought for distribution.
- **Local broadcast/cable TV:** Traditional linear TV, bought for local (metro-level) programming; aka Spot TV. Households viewing the same shows see the same ad.
- **Audience-based linear TV**
  - **Audience addressable TV:** Allows advertisers to dynamically serve specific ads to specific households during scheduled linear TV programming, based on first-, second-, or third-party data such as location, behavior and demographics.
  - **Audience indexed linear TV:** Enables buyers to identify programs, networks, and dayparts with a high composition of the advertiser's target audience and build a buy more likely to reach that audience.



# Methodology

Now in its eleventh year, IAB's *Digital Video Ad Spend & Strategy Report* report provides a lens into the trends within the U.S. TV/video market and offers guidance for buyers and sellers on how they can position and differentiate their strategies based on the market opportunity.



## Advertiser Perceptions Quantitative Sample Generated and Execution

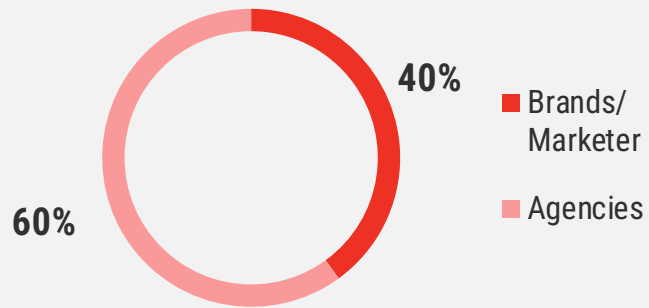
- 15-minute anonymous online survey, n=364
- Advertiser Perceptions leveraged its Ad Pros community and trusted third-party partners to recruit verified industry leaders, identified as those who:
  - Are involved in recommending, specifying, or approving advertising spending in digital video
  - Spent at least \$1 million on advertising in 2023
  - Work at agencies or directly for a brand marketer
- Fielded: February 15, 2024 – March 1, 2024

## Guideline's Digital Video Ad Spend Market Size and Growth Rate Methodology

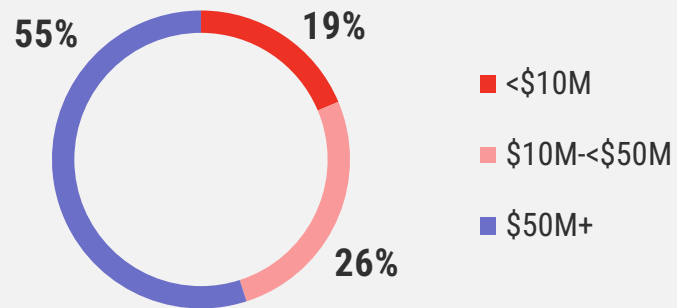
- Guideline's digital video ad spend market size and growth rate estimates are based on Guideline's Pool of ad billing data, including Forward Bookings (i.e., future, pre-booked media), the IAB-commissioned Advertiser Perceptions quantitative survey, interviews with industry leaders, and other market estimates.
- The Guideline pool's coverage of the U.S. advertising market is based on deterministic, census-level total media billings for all spending by the largest ad agencies, includes all six U.S. major holding groups and most of the largest independents.

# Respondent Profile

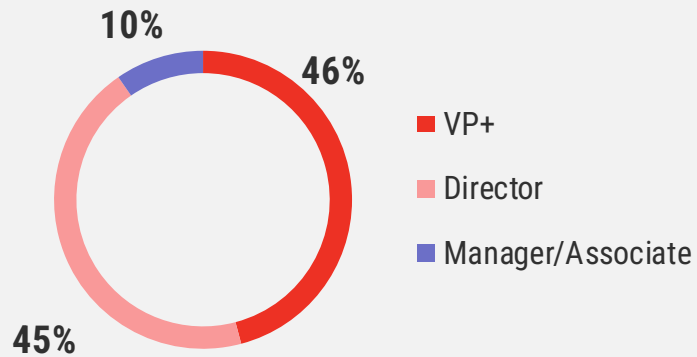
## COMPANY TYPE



## COMPANY SIZE (BASED ON ANNUAL MEDIA SPEND)



## JOB TITLE



## MARKET SECTORS

MARKET SECTORS	%
Technology	9%
Retail	9%
Health and Wellness	9%
Automotive	8%
CPG	8%
Financial Services	8%
Telecommunications	8%
Entertainment and Media	8%
Apparel/Fashion	8%
Home and Appliance	8%
Travel	8%
Other	8%

## 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.

[www.iab.com](http://www.iab.com)



## ABOUT THE MEDIA CENTER



IAB Media Center's mission is to accelerate the seamless transition from traditional analog media channels to dynamic digital platforms.

By doing so, we aim to empower innovative business models while fostering a captivating and consumer-centric media and advertising experience. This includes:

- Continuing the development of the CTV marketplace: Supporting the evolution of programmatic CTV and use of data with standards and best practices.
- Enabling video measurement and collaboration: Evangelize/developing a Creative ID directory & guidelines (with Tech Lab) including legal/regulatory best practices
- Creating a cohesive video landscape: Standardizing the classification of video creative formats across platforms with key value metrics
- Fostering the development of digital audio and podcasting via the establishment and standardization of best practices related to creator-advertiser partnerships, integration of audio campaigns into omnichannel media plans, and ad creative.

### IAB Media Center Video Board of Directors Member Companies

Amagi	Horizon Media	Publicis Media
Amazon Ads	Infillion	Roku
Butler Till	Initiative	RPA
Carat	Integral Ad Science	Quigley-Simpson
Comcast	Intuit	Samsung Ads
dentsu	LiveRamp, Inc.	Spark Foundry
Digitas LBI	Magnite	Spark Networks
Disney Advertising	National Football League	Spectrum Reach
Dotdash Meredith	NBCUniversal	TelevisaUnivision
Effectv	Netflix	The Coca-Cola Company
EssenceMediacom	Nexstar	TikTok
FreeWheel	Omnicom Media Group	Unilever
General Motors	Papa John's Pizza	VIZIO
Google	Paramount	VMLY&R
GroupM	Pfizer	Voya Financial
Harmelin Media	Publica	Warner Bros. Discovery

## ABOUT ADVERTISER PERCEPTIONS



Strategic Market Intelligence. **ACTIVATED.**

Advertiser Perceptions is the leader in providing research-based strategic market intelligence to the complex and dynamic media, advertising, and ad tech industries. Our curated, proprietary Ad PROS™ Network and deep relationships with the largest advertisers provide clients with an unbiased view of the market, their brand, and the competition. Our experts provide timely and actionable guidance enabling clients to improve their products and services, strengthen their brands, and drive more revenue. The largest, most innovative global media and ad technology businesses rely on Advertiser Perceptions.

[www.AdvertiserPerceptions.com](http://www.AdvertiserPerceptions.com)

## ABOUT GUIDELINE



Our mission is to redefine the future of the world buys and sells media.

We combined the leading media planning and data companies to create the world's most trusted set of solutions to help shape mission-critical advertising decisions. Though we already provide guidance to the world's leading brands, agencies, and media owners; we are just getting started.

We are busy innovating, expanding existing capabilities, and leveraging AI to offer automated, intelligent solutions to age-old industry processes.

As the industry leader, 25 out of the world's 30 largest brands and 9 of the top 10 most valuable global media owners rely on our solutions. Guideline provides critical data to the largest media measurement companies, demand-side platforms, and institutional investors. We partner with all six of the biggest agency holding companies, as well as several of the largest independents, analyzing over \$150 billion in annual media spend globally.

[Request a Guideline Demo](#)

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**Advertiser  
Perceptions**

