

# The dynamic increase in online and video ad spending will bode well for “New Age” digital strategies

## Market Snapshot

- Video programming ad spend is expected to reach +\$5 billion by 2014.
- Most companies will have video-enabled websites to target customers / consumers within seven years.
- Broadband penetration into the home and office has surpassed 50%.
- With a plethora of new platforms to exploit, the TV industry, and broadcasters in particular, are experimenting with several new methods of increasing revenue:
  - Using brand integration techniques, ranging from product placement to making a brand into a star or an essential element of a program
  - Using the Internet as a platform to monetize and market content
  - Selling content to consumers both online and on offline
  - Purchasing digital media technology ventures in order to better compete on multiple platforms
  - Experimenting with new ad formats, including enhanced video
  - Adjusting programming content to the new realities of mobile viewing, sporadic viewing, program grazing, event programming and other niche audience patterns and SEO techniques are forcing companies to build better websites to attract and HOLD customers' attention.

**US Online Advertising Spending, by Format, 2008-2014 (millions)**

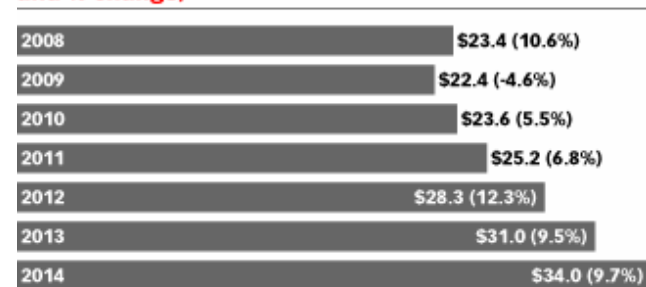
	2008	2009	2010	2011	2012	2013	2014
Search	\$10,546	\$10,782	\$11,422	\$12,172	\$13,641	\$14,694	\$15,810
Banner ads	\$4,877	\$4,765	\$4,923	\$5,090	\$5,411	\$5,630	\$5,800
Classifieds	\$3,174	\$2,215	\$2,030	\$1,915	\$1,981	\$2,077	\$2,176
Lead generation	\$1,683	\$1,521	\$1,628	\$1,739	\$1,868	\$1,984	\$2,108
Rich media	\$1,642	\$1,476	\$1,558	\$1,688	\$1,868	\$2,046	\$2,142
Video	\$734	\$1,029	\$1,440	\$1,966	\$2,858	\$3,844	\$5,202
Sponsorships	\$387	\$313	\$316	\$328	\$351	\$372	\$388
E-mail	\$405	\$268	\$283	\$302	\$323	\$353	\$374
<b>Total</b>	<b>\$23,448</b>	<b>\$22,370</b>	<b>\$23,600</b>	<b>\$25,200</b>	<b>\$28,300</b>	<b>\$31,000</b>	<b>\$34,000</b>

Note: numbers may not add up to total due to rounding  
Source: eMarketer, December 2009

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**US Online Advertising Spending, 2008-2014 (billions and % change)**



Source: eMarketer, December 2009

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