

Digital Advertising - US - 2023

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

- Market size and segmentation of the US digital advertising sector, along with revenue growth forecasts through 2028
- Key players in the digital advertising landscape and development priorities
- Trends in digital advertising effectiveness, consumer attitudes and reactions toward digital ads
- Opportunities for future success for digital advertisers and publishers

Digital advertising received a significant pandemic-driven boost and the market has proved resilient despite economic and structural headwinds in 2022. Following the volatility of the past few years, overall growth in digital ad revenue is forecast to more closely reflect the pre-pandemic trajectory. However, digital video is expected to continue its outsized growth and replace search as the largest segment as consumers increasingly turn to streaming video and social media platforms for entertainment and news.

There are two key factors that are beginning to affect market. First, a shift to a privacy-centric framework, which will impact targeting and ad relevancy as access to user-level data becomes less available. Second, implementation of generative AI, which key players are already building into their search engines.

From a consumer perspective, online advertising is understood as a necessary attention tax they must pay in exchange for using the internet. However, consumers only recall a small fraction of the digital ads they are invariably exposed to, tolerance for advertising varies, and perceptions of ad relevancy are worsening.

While the digital advertising market is set continue strong growth, digital marketers face an increasingly cluttered landscape where standing out will require more than repetition. In the absence of user-level data, consumers will be exposed to even more irrelevant advertising and they will become even



"Digital advertising is in a time of transition as marketers and platforms seek substitutes to user-level data. Despite numerous delays at the federal level, new platform standards and state regulations regarding privacy are in place with more coming."

- Jenni Nelson, Analyst, Tech, Media and Entertainment

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

more adept at tuning out online ads and marketers will need to work harder to earn the time they take.

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

OVERVIEW

- **What you need to know**
- **This Report looks at the following areas**
- **Definition**
- **Market context**

EXECUTIVE SUMMARY

- **Top Takeaways**
- **Consumer trends**
- **Recall appears dismal, but some of that may be because ads aren't recognized as such**
Figure 1: Digital ad recall in the last 7 days, 2020-23
- **Men under 55 most tolerant of and engaged with digital ads**
Figure 2: Digital ad engagement, by gender and age, 2023
- **Young, culturally diverse consumers use AI-powered search for guidance on their purchases**
Figure 3: Key demos: coverage(percent) and index, Net interest in AI-powered search, 2023
- **Ads that disrupt static online experiences are least tolerated**
Figure 4: Attitudes toward digital ad tolerance, 2023
- **Market predictions**
Figure 5: Total US revenues and fan chart forecast of digital advertising, at current prices, 2018-28
Figure 6: Digital advertising outlook, 2023-28
- **Opportunities**
- **Prepare for a privacy-centric ecosystem**
- **Digital video continues tremendous growth**
- **Streaming audio, made with real engagement**
- **Thoughtfully executed in-store video can enhance the consumer experience**

MARKET SIZE AND FORECAST

- **The market faces hurdles, but will continue to innovate and grow**
Figure 7: Total US revenues and fan chart forecast digital advertising, at current prices, 2018-28
Figure 8: Total US revenues and forecast of digital advertising, at current prices, 2018-28

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

SEGMENT PERFORMANCE

- **After a huge spike, digital ad spend returns to pre-pandemic growth rates**
Figure 9: Breakout of total US digital ad spend, by segment, at current prices, 2019-23 (est)
- **AI-enabled search will be a game-changer, for a while**
Figure 10: Total US search advertising revenues and fanchart forecast, at current prices, 2018-28
Figure 11: Total US search advertising revenues and forecast, at current prices, 2018-28
- **Display will lose share in a cookie-less ad ecosystem**
Figure 12: Total US display advertising revenues and fanchart forecast, at current prices, 2018-28
Figure 13: Total US display advertising revenues and forecast, at current prices, 2018-28
- **Digital video will soon be the dominant channel for digital ad investment**
Figure 14: Total US digital video advertising revenues and fanchart forecast, at current prices, 2018-28
Figure 15: Total US digital video revenues and forecast, at current prices, 2018-28
- **Podcasting is poised for growth – to a point**
Figure 16: Total US podcast advertising revenues and fanchart forecast, at current prices, 2018-28
Figure 17: Total US podcast advertising revenues and forecast, at current prices, 2018-28
- **Other formats are a perennial wild card**
Figure 18: Total US "other" digital advertising revenues and forecast, at current prices, 2018-28
Figure 19: Total US "other" digital advertising revenues and forecast, at current prices, 2018-28

MARKET FACTORS

- **Marketers are preparing for a privacy-centric digital ad ecosystem**
- **AI will create a better search experience for consumers**
- **TikTok breathes new life into social as a viable channel for commerce**

KEY PLAYERS

- **After a 2H 2022 pullback, ad platforms show growth in 1H 2023**
- **Alphabet/Google is "bold and responsible" about introducing AI to search**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **Meta makes its LLM open source for innovation’s sake, worrying competitors**
- **ByteDance, a hit with consumers, but a major concern for the government**
- **Alibaba restructures and looks for external capital to grow international ecommerce**
- **Amazon stays opaque about its sales and future projects, AI included**

COMPETITIVE STRATEGIES AND MARKET OPPORTUNITIES

- **Explore new ad targeting alternatives**
- **Capitalize on tremendous growth in digital video**
- **Streaming audio is an opportunity to reach niche and engaged consumers**
- **Catch financially struggling consumers’ eyes with deals and promotions**
- **Tech innovations give DOOH a burst of creativity and excitement**

Figure 20: CGI Barbie in Dubai, Instagram post, 2023

THE DIGITAL ADVERTISING CONSUMER – FAST FACTS

- **Consumers don’t consciously recall most digital advertising**
- **Most ads are viewed on a smartphone**
- **Half of consumers engage with digital ads, four in 10 find them irrelevant**
- **Ad repetition and deals are more influential than endorsements**
- **Shopping with AI-powered search is off to a good start**
- **Ad tolerance depends on what is being interrupted**
- **Digital out of home video is a nice change of pace, but still overwhelming**

DIGITAL AD RECALL

- **If not already, start planning for a post-privacy digital ad ecosystem**

Figure 21: Digital ad recall in the last 7 days, 2020-23

- **Reach cost-conscious consumers with deals and incentives**

Figure 22: Count of digital ad types recalled in the last 7 days, by financial status, 2023

- **Include streaming audio in advertising mix**

Figure 23: Digital audio ad recall in the past 7 days, by select demos, 2022-23

- **Smartphones remain the device of choice for most consumers**

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 24: Digital ad recall in the last 7 days, by device, 2023

- **Lack of user-level data may shift ad budgets away from digital channels**

Figure 25: Digital: Digital ad recall on a smartphone, by ad type, 2022-23

DIGITAL AD ENGAGEMENT

- **As the sun sets on user-level data, marketers reassess its value**

Figure 26: Digital ad engagement, 2023

- **Men under 55 most apt to view ads as aids in the purchase process**

Figure 27: Digital ad engagement, by gender and age, 2023

HOW DIGITAL ADS INFLUENCED A PURCHASE/ CONSIDERATION

- **Repetition and deals work – but don't forget relevancy**

Figure 28: Digital ad influence on purchase/consideration, 2023

- **Age is a factor in what messaging influences a purchase**

Figure 29: Digital ad influence on purchase/consideration, by messaging type, by generation, 2023

- **Relevancy and deals prompt the most clicks**

Figure 30: Reasons for digital ad interaction, 2023

- **Make ads work harder by including more prompts to click**

Figure 31: TURF analysis, Reasons for digital ad interaction, 2023

AI USE IN ONLINE SHOPPING

- **AI-powered search means more than just "terms" are relevant**

Figure 32: Experience with AI-powered search for shopping, 2023

- **Interest in AI-powered search is more diverse than traditional tech**

Figure 33: Interest in using an AI-powered search engine when shopping online, by key demographics and index to all, 2023

ATTITUDES TOWARD DIGITAL AD TOLERANCE

- **Consider the context and interference level of digital ads**

Figure 34: Attitudes toward digital ad tolerance, 2023

- **Tolerance is linked to engagement**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 35: Attitudes toward digital ad tolerance, by gender and age, 2023

ATTITUDES TOWARD DIGITAL AD INTRUSIVENESS

- **Despite focus on personalization, online ads feel increasingly irrelevant**

Figure 36: Attitudes toward digital ad intrusiveness, 2023

- **Follow growing social networks' format and feel for contextual relevance**

Figure 37: "The relevancy of online ads ... is worse than it used to be" – Any agree, by social networks visited daily, 2023

ATTITUDES TOWARD DIGITAL OUT-OF-HOME ADVERTISING

- **Give consumers the choice to opt out of exposure to video ads**

Figure 38: Attitudes toward digital out-of-home advertising, 2023

- **Do in-store video thoughtfully, or not at all**

Figure 39: "I like to watch video ads in stores" – Any agree, by key demographics and index to all, 2023

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- **Data sources**
- **Sales data**
- **Forecast**
- **Consumer survey data**
- **Abbreviations and terms**
- **Abbreviations**
- **Terms**

APPENDIX – THE CONSUMER

- **TURF analysis**

Figure 40: Table – TURF Analysis – Interaction with digital ads, 2023

- **Methodology**

APPENDIX – THE MARKET

Figure 41: Total US revenues and forecast for digital advertising, at inflation-adjusted prices, 2018–28

Figure 42: Total US revenues and forecast for digital advertising, by segment, at current prices, 2018–28

Figure 43: Total US revenue and forecast for search advertising, at inflation-adjusted prices, 2018–28

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 44: Total US revenue and forecast for display advertising, at inflation-adjusted prices, 2018-28

Figure 45: Total US revenue and forecast for digital video advertising, at inflation-adjusted prices, 2018-28

Figure 46: Total US revenue and forecast for other digital advertising, at inflation-adjusted prices, 2018-28

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.