

Retail Dominates Digital Ad Spending in the US

Sector's investment will reach \$23.50 billion this year

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eMarketer Editors

The US retail industry will continue to dominate the digital ad business this year. Retailers will spend \$23.50 billion on digital ads, up 18.7% over last year, representing nearly 22% of US digital ad spending.

The figures come from eMarketer's new forecasts for industry-by-industry ad spending. [eMarketer PRO subscribers can see the full breakout here.](#)

The sector's investment in mobile ads will total \$16.33 billion, up 23.6% over 2017, accounting for nearly 70% of retailers' digital ad spending. That gives the retail industry a nearly 22% share of US mobile ad spending.

US Digital Ad Spending, by Industry, 2016-2019

billions and CAGR

	2016	2017	2018	2019	CAGR (2016-2019)
Retail	\$15.83	\$19.80	\$23.50	\$27.58	14.9%
Automotive	\$9.14	\$11.61	\$13.57	\$15.65	14.4%
Financial services	\$8.78	\$11.01	\$13.05	\$15.25	14.8%
Telecom	\$7.92	\$9.81	\$11.43	\$13.15	13.5%
CPG & consumer products	\$6.26	\$7.92	\$9.40	\$11.03	15.2%
Travel	\$5.97	\$7.38	\$8.59	\$9.81	13.2%
Computing products & consumer electronics	\$5.47	\$6.85	\$8.33	\$10.12	16.6%
Media	\$4.25	\$5.22	\$6.52	\$7.89	16.8%
Entertainment	\$3.45	\$4.41	\$5.45	\$6.64	17.7%
Healthcare & pharma	\$2.02	\$2.52	\$2.84	\$3.14	11.7%
Other	\$3.10	\$3.86	\$4.61	\$5.48	15.3%
Total	\$72.20	\$90.39	\$107.30	\$125.75	14.9%

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms; numbers may not add up to total due to rounding

Source: eMarketer, June 2018

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“Retail brands spend far more than any other industry on digital advertising because, in retail, it’s increasingly about winning in search,” eMarketer senior analyst Patricia Orsini said. “If you’re a retailer, you want to make sure that your store, ecommerce site, or page within Amazon, pops up in Google’s search results. That competition is driving up the rates for search.”

“On the display side, rather than fighting against Amazon, retailers are partnering with the ecommerce giant,” added Oscar Orozco, senior forecasting analyst at eMarketer. “As a result, Amazon is benefiting as retailers spend more on display ads, with an emphasis on promoted products.”

[See an eMarketer statpack breaking out retail ad spending trends and key numbers. \(PRO subscribers only.\)](#)

The auto industry will remain the second-highest digital ad spender in the US. Auto marketers will spend \$13.57 billion on digital ads in 2018, up 16.9% over last year. The automotive sector will command 12.6% of all US mobile ad spending, or \$9.42 billion.

Overall, US digital ad spending will grow 18.7% this year to reach \$107.30 billion.