

# Most US industries see strong digital ad spending growth this year, as 2020's roller coaster subsides

Article

US digital ad spending saw mixed results across industries last year. On the one hand, total spending growth slowed from its pre-pandemic pace, and two industries—automotive and travel—severely cut back on their budgets. On the other hand, several industries unexpectedly accelerated their digital investments, as the pandemic created new consumer behaviors that drove more of their business online.

Collectively, digital ad spending across all industries increased by **14.9%** year over year in 2020, a moderate deceleration from the previous several years. For 2021, we anticipate a strong rebound overall, at **25.5%**, but industry-level performance will continue to diverge widely.

### US Digital Ad Spending Growth, by Industry, 2019-2023

% change

	2019	2020	2021	2022	2023
Automotive	13.9%	-9.0%	20.5%	13.7%	11.7%
Computing products & consumer electronics	21.7%	30.5%	29.0%	15.3%	13.3%
CPG	14.8%	24.7%	31.7%	17.9%	15.7%
Entertainment	20.4%	12.7%	37.2%	16.5%	14.5%
Financial services	23.3%	20.3%	16.7%	12.8%	11.3%
Healthcare & pharma	17.3%	27.2%	11.6%	11.5%	10.1%
Media	20.8%	8.5%	21.1%	10.8%	7.6%
Retail	21.5%	23.1%	34.5%	20.2%	16.5%
Telecom	16.3%	17.0%	14.2%	11.0%	8.3%
Travel	26.8%	-51.0%	18.7%	14.2%	12.1%
Other	18.0%	15.8%	23.6%	11.3%	9.2%
<b>Total</b>	<b>19.2%</b>	<b>14.9%</b>	<b>25.5%</b>	<b>15.6%</b>	<b>13.2%</b>

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned

Source: eMarketer, June 2021

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Last year, among the 10 industry verticals we cover, shifts in spending ranged from a **30.5%** increase to a **51.0%** decrease. This year, however, every industry will raise ad spending by at least **10%**. Some will demonstrate massive rebounds, whereas others will hold steady or even rein in their growth.

- **Retail, consumer product goods (CPG), and financial services still rule in digital ad spending.** The retail industry has always led the US in this metric, and it will continue to do so this year with \$47.59 billion in outlays. CPG will be a distant second with \$30.56 billion, and financial services will follow with \$24.49 billion.
- **Entertainment will grow the fastest in 2021, thanks to pent-up demand from 2020.** The industry grew its digital ad spending by just 12.7% last year, after many years of much greater

increases. We expect growth will rebound to 37.2% this year. Retail will grow the second fastest, by 34.5%. CPG will also exceed the 30% threshold, by more than a percentage point.

- **Auto, telecom, and healthcare and pharma will account for smaller shares than before.** Auto's share of the digital ad market has been shrinking for years and will continue to do so. Healthcare and pharma expanded its share from 6.5% to 7.2% last year, but it will give all of that back as its spending growth heavily decelerates this year.

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**Report** by Ethan Cramer-Flood Sep 16, 2021

## US Digital Ad Spending by Industry 2021

