


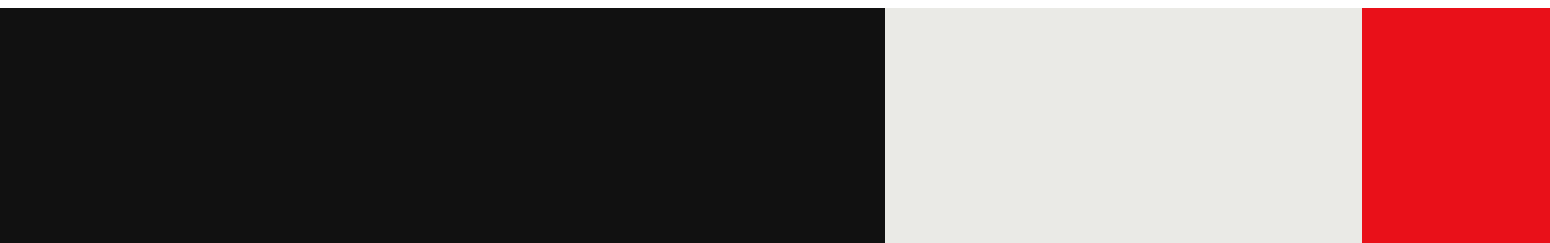
# Search advertising is resilient thanks to the ecommerce channel

Article



**T**raditionally, travel advertisers including online travel agencies are among the biggest search ad spenders on Google. That business tanked last year, but ecommerce-related search advertising outperformed thanks to the supercharged digital retail environment.

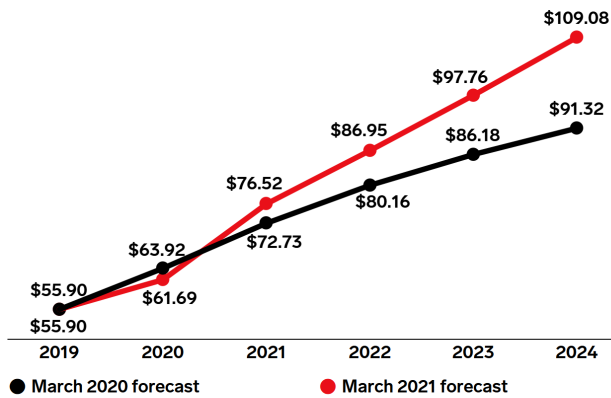
We estimate that search ad spending in the US reached \$61.69 billion last year, up 10.4% over 2019 but more than \$2 billion short of our March 2020 forecast for the year. Despite this,



search ad spending will rebound in 2021 and reach levels higher than previously expected—and it will remain on a higher trajectory throughout our forecast period.

### How Has the Forecast for Search Ad Spending in the US Changed? 2019-2024

billions, March 2020 vs. March 2021



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes contextual text links, paid inclusion, paid listings, and SEO

Source: eMarketer, March 2021

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General search engines like Google have benefited from the retail-related search trend, but not as much as Amazon has. We estimate that Amazon's net share of the US search ad market surged from 13.3% in 2019 to 18.6% last year and will continue rising through at least 2023. Meanwhile, we estimate Google lost more than 4 points of net search share last year and will lose almost as much again by 2023.

Amazon isn't the only retailer capitalizing on trends to gain share of the search ad market. For the first time, we've broken out search ad revenues at Walmart, which is also growing its share and will account for 1.1% of net search ad revenues this year.

## Net Search Ad Revenue Share in the US, by Company, 2019-2023

% of total search ad spending

	2019	2020	2021	2022	2023
Google	61.3%	57.0%	56.8%	54.8%	53.3%
Amazon	13.3%	18.6%	19.0%	21.1%	22.6%
Microsoft	6.6%	5.6%	5.3%	5.0%	4.6%
Verizon Media	1.9%	1.5%	1.3%	1.2%	1.1%
Yelp	1.7%	1.3%	1.2%	1.2%	1.1%
Walmart	0.3%	0.8%	1.1%	1.5%	1.9%
IAC	1.0%	0.7%	0.6%	0.6%	0.5%
Other	14.1%	15.1%	15.8%	16.2%	16.8%

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes contextual text links, paid inclusion, paid listings (paid search), and SEO; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; numbers may not add up to 100% due to rounding  
Source: eMarketer, March 2021

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**What's changed:** We've reported for a while on how it's been Amazon, and not a general search competitor, that has most disrupted Google's hold on the US search ad market, but the pandemic significantly accelerated that trend. In March 2020, we expected Amazon to grow its share of search spending to 15.2% last year, and to reach 18.5% in 2023. We expected Google to maintain almost a 60% share of the market through at least 2022.

eMarketer PRO subscribers can explore our Q1 2021 estimates of US digital ad spending and read more about what the pandemic-related trends mean for the ad market this year.

Report by Nicole Perrin Apr 14, 2021

### US Digital Ad Spending 2021

