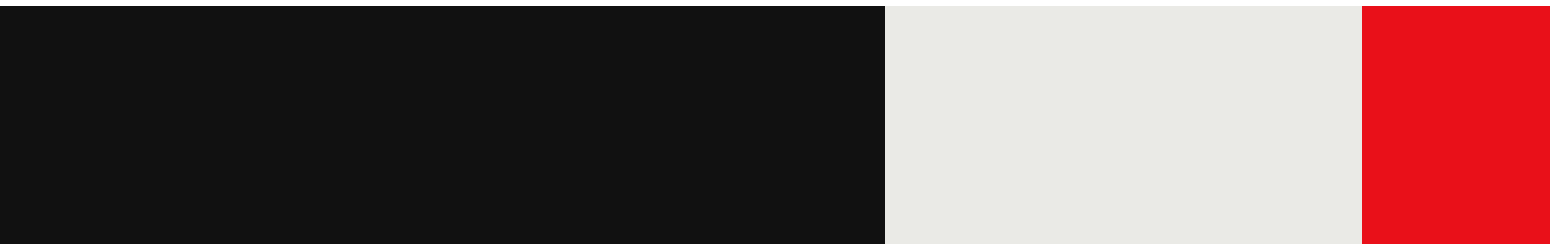



3 underutilized ad areas and why the data says you should jump in

Article



While advertising areas like connected TV and retail media boast strong potential, other channels, like social media and linear TV, are losing some steam. That's why it's important to explore other ad channels. Here are some areas within digital advertising where you may be missing out on unlocking potential.

1. Digital out-of-home (DOOH)

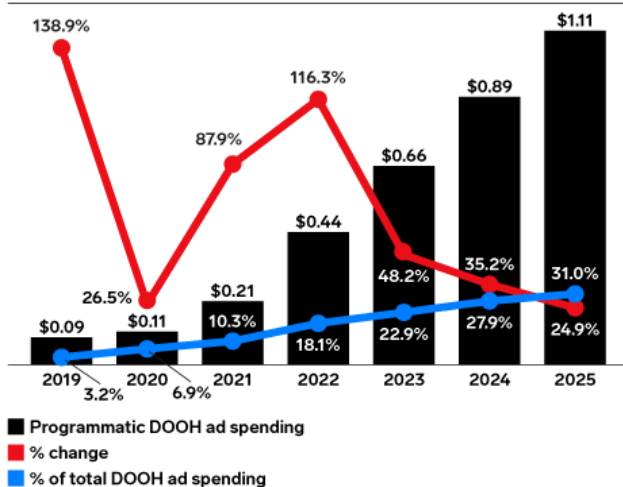
The opportunity: Billboards still dominate US out-of-home (OOH) ad spend, accounting for 76.3% of spend (\$1.39 billion) in Q1 of this year, according to the Out of Home Advertising Association of America. But now that people have returned to stores, commutes, and travel, there are a number of **underutilized DOOH ad spaces** that advertisers are still warming up to.

The hesitation: Programmatic DOOH ad spend will reach just \$660 million this year, according to our forecast. The ad format is growing rapidly, but DOOH and programmatic DOOH are still just a slice of the OOH pie.

The example: In-store retail media is a great area for pushing DOOH spend because it's so close to the point of sale. Activations like TVs at electric vehicle charging stations and digital cooler screens can help expose customers to brands before and as they enter the store.

US Programmatic Digital Out-of-Home (DOOH) Ad Spending, 2019-2025

billions, % change, and % of total DOOH video ad spending



Note: digital out-of-home ads transacted or fulfilled via automation
Source: Insider Intelligence | eMarketer, April 2023

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eMarketer | InsiderIntelligence.com

2. Gaming

The opportunity: More than half of US adults (and nearly three-quarters of US Gen Z adults) are gamers, according to our forecasts. But **gaming accounts for less than 5%** of US ad

spend, according to the Interactive Advertising Bureau. Gen Alpha and Gen Z have grown up with gaming, and platforms like Roblox are second nature to the digital natives.

For **mobile gaming in particular**, US adults will spend 10.6% of their mobile time playing games this year, per our forecast. But we expect just 3.9% of US mobile ad spend will go to the category in 2023.

The hesitation: **Gamers are savvy internet users**, so in-game ads need to target the specific game and platform where they're featured.

Gamers also tend to be young: Penetration is highest among people in the US ages 18 to 24 (75.0%) and 12 to 17 (71.9%), per our forecast. These young consumers may have less spending power now, but in a few years, they will be active consumers.

The example: In-game experiences, like **Fortnite's collaboration with Jordan** in 2021, expose consumers to a brand that they can then buy from off-screen as well.

Time Spent in Mobile Games Outpaces Ad Spend

% of total mobile ad spend and mobile time spent



5.9% 3.8% 3.7% 5.9% 3.8% 3.8%

2020 2021 2022 2023 2024 2025

- Mobile gaming ad revenues as % of total mobile ad spend
- Time spent in mobile games as % of total mobile time spent

Note: excludes advertising on esports or gaming video content; includes advertisements placed within games on mobile devices only; ages 18+; includes all time spent using gaming platforms via internet-connected mobile devices

Source: eMarketer, H1 2023

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eMarketer | InsiderIntelligence.com

3. Sports

The opportunity: Live sports are driving linear TV viewership in the US. Nearly half of people in the US watch live sports, according to our forecast. And other areas, like **sports betting** and **sports streaming**, are taking off. Sports rights spending by subscription OTT TV services worldwide will total \$8.5 billion this year, according to Ampere Analysis, showing that companies are vying for these engaged viewers.

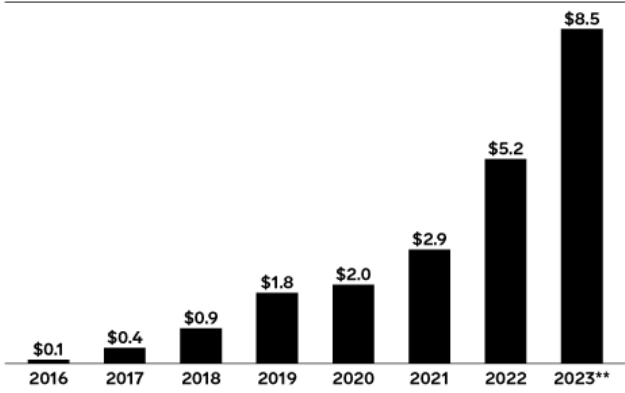
The hesitation: TV ads are great for top-of-funnel exposure, but viewers may not be as inclined to shop while following a game. Plus, major league sports ads can be really pricey, while more niche sports like **Formula E** have smaller audiences.

Women's sports are a particularly underutilized market. "**Women's soccer**, in particular, I believed was tremendously under-resourced, under-marketed, undervalued, underappreciated, under-supported, the list goes on," Reddit co-founder Alexis Ohanian told Forbes. Ohanian is married to tennis star Serena Williams.

The example: Snap got in on the Women’s World Cup hype this year with AR features that partnered with **adidas, e.l.f. Cosmetics, and Samsung Galaxy.**

Meanwhile, **NBCUniversal and Walmart Connect** partnered to bring sports viewers closer to the point of sale with targeted ads.

Sports Rights Spending by Subscription OTT Services Worldwide*, 2016-2023**
billions



Note: *Australia, Brazil, Denmark, Finland, France, Germany, India, Italy, Japan, Netherlands, Norway, Poland, South Africa, Spain, Sweden, UK, US; **forecast
Source: Ampere Analysis as cited in press release, Feb 20, 2023

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