

US in-app video ad spending will rebound in 2021, bolstered by social media advertising

ARTICLE | JANUARY 08, 2021

Nina Goetzen

Last year's pandemic-related advertiser pullback led to an unprecedented slowdown in mobile video ad spend, which had previously been growing rapidly. But as the ad market begins to normalize this year, spending on mobile in-app video advertising in the US will rebound strongly in 2021, growing by 27.6% year over year to reach \$18.01 billion, **per** our newest estimates. That's up by more than 11 percentage points from the 15.9% growth it saw in 2020. It's also faster than this year's 22.2% growth in US mobile web video ad spending, which we **expect** will reach \$10.46 billion.

Social networks are primarily responsible for the increased spend, but YouTube's additional ad inventory is also a driver.

Snapchat, for example, has been **investing** heavily in video content for its Discover page, which allows the platform to serve more video ads. Even primarily text-based social media sites are emphasizing video: Twitter **released** a carousel ad format two months ago that lets marketers feature up to six images or videos. Meanwhile, YouTube has been trying to increase inventory by expanding into smaller channels—it **began** placing ads in videos of nonpartner

creators late last year. Finally, nonsocial sites such as Roku are also driving spend, though in Roku's case, the inventory is mostly runoff from its primary OTT video business. Roku's self-serve platform, OneView, **launched** in May 2020 and enables marketers to purchase ads across all its channels, including desktop and its mobile app.

