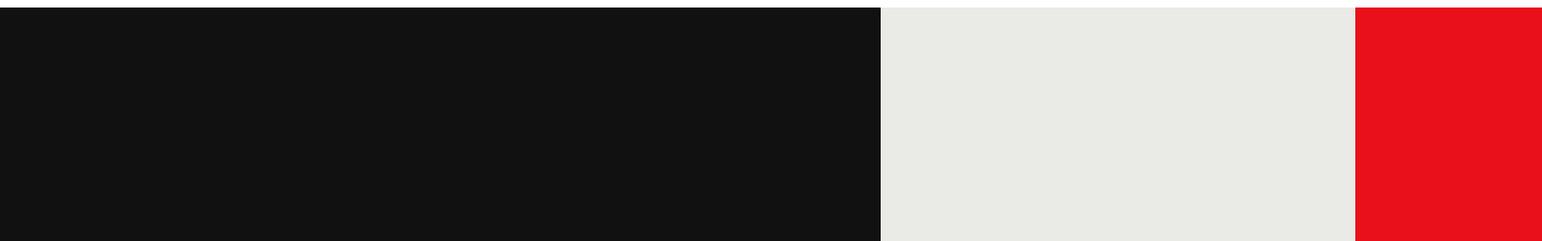


Advertising industry has worst job loss in 19 months

Article



The news: Advertising and related industries lost **8,700 jobs** in September, a sharp reversal after growth during the summer and the category's largest loss since January 2021, when about 6,000 jobs were shed, per monthly figures from the US Bureau of Labor Statistics.

One goes up, the other goes down: Overall jobs increased by 263,000 last month, making advertising's steep losses especially notable.

- The last time advertising positions declined while overall jobs picked up was in May, when [jobs fell](#) by **2,400**. Those losses recovered throughout the summer, and additions reached an all-time high in August.
- September's losses followed a summer of relentless ad revenue declines, agency layoffs, and marketing team cutbacks from industries closely linked to advertising. **Warner Bros. Discovery, LinkedIn**, and some automakers have all thinned their marketing teams in recent months.
- **Geico's** decision to lay off most of its marketing staff [last week](#) and put its media account under review is a sign that further layoffs from other insurers and pillars of advertising spend could be on the horizon.

Economy pressures advertising: Rapidly increasing inflation has been a hot topic throughout the year, and while consumer spending has remained [relatively stable despite that](#), industries have been waiting nervously for the other shoe to drop.

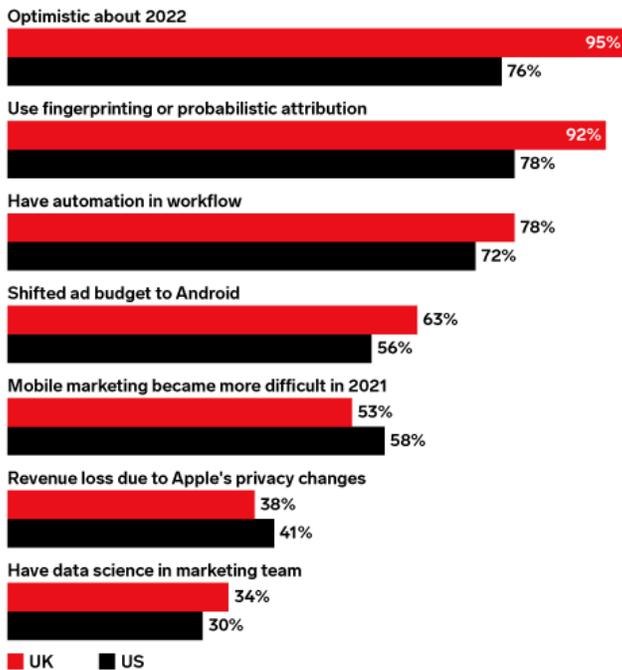
- The Fed's response to red-hot inflation has been to hike interest rates, which in turn has dampened corporate spending and loosened the historically tight labor market. The second half of the year has been ripe with announcements of layoffs and [hiring freezes](#) at Big Tech firms and [other industries](#) as a result.
- All that means less money to spend on advertising—and the effectiveness of what's left is being called into question since consumers may not be willing to spend enough to make companies' ad investments pay off.

It's not all the economy's fault: A rocky economy doesn't change the fact that advertising is undergoing several crises of its own making.

- First there's **privacy**. The federal government has [set its sights](#) on the advertising industry's data collection practices, [suing ad agencies](#) for actions that many consider to be common practice. These actions came under [particular scrutiny](#) after the revoking of **Roe v. Wade**, when advertising data was used by law enforcement to charge women seeking abortion care.
- **Apple's** removal of its **Identifier for Advertisers** and implementation of [opt-in ad tracking](#), as well as the [looming removal of third-party cookies](#) on **Google Chrome** (the most popular web browser) have also thrown digital advertising into chaos. Companies like **Meta** that have tried to circumvent these changes have landed in legal hot water.

Attitudes About the Impact of Apple's Privacy Changes According to UK/US Mobile Marketers, Jan 2022

% of total



Source: Tenjin and Growth Fullstack, "Appocalypse Now: Mobile Advertisers Have Their Say On Privacy-First Marketing" conducted by Atomik Research, June 6, 2022

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- That's not all: **Connected TVs** have been shown to run ads while TVs are off, costing millions, **podcasts** have potentially **inflated download figures** by the millions, and **one-third of Americans will cut the cord this year**, throwing linear TV's place into dire question.

There's hope for advertising: Even with September's losses, **advertising employment is still higher than at any point in 2021 or 2020.**

- There are also solutions on the horizon. Companies like **iSpot** and others have been working to create new linear and digital measurement options that could plug the gap. But whatever solutions emerge will be much more fractured than those that came before, leaving further room for miscounting and potential fraud.