

Mobile advertising is still king, but more industries are looking at nonmobile, thanks to CTV

Article

Mobile advertising is by far the preferred destination for digital ad spending in the US, just as it is everywhere else. However, mobile's ever-accelerating domination of the digital ad market

appears to finally be leveling off.

After seizing large chunks of the market from nonmobile options every year since 2016, mobile will see its share of the pie settle in at roughly 68% for the rest of our forecast period (through 2023).

US Mobile Ad Spending, by Industry, 2021

billions, % change, % of industry digital ad spending, and % of total mobile ad spending

	Mobile ad spending	% change	% of industry digital ad spending	% of total mobile ad spending
Automotive	\$9.29	21.7%	62.1%	7.2%
Computing products & consumer electronics	\$12.37	29.6%	75.0%	9.5%
CPG	\$21.83	32.4%	71.4%	16.8%
Entertainment	\$8.54	37.5%	76.5%	6.6%
Financial services	\$17.24	17.7%	70.4%	13.3%
Healthcare & pharma	\$6.98	12.4%	57.1%	5.4%
Media	\$6.14	21.9%	63.0%	4.7%
Retail	\$30.91	35.6%	64.9%	23.8%
Telecom	\$10.37	14.8%	75.1%	8.0%
Travel	\$2.09	19.4%	58.9%	1.6%
Other	\$4.03	24.4%	62.0%	3.1%
Total	\$129.79	26.5%	67.9%	100.0%

Note: includes advertising that appears on mobile phones, tablets, and internet-connected feature phones on all formats mentioned; numbers may not add up to total due to rounding
Source: eMarketer, June 2021

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The emerging popularity of connected TV (CTV) advertising is the primary reason nonmobile ad spending is no longer losing share. Even so, every single industry in the US will spend the majority of its digital ad budget on mobile this year, as usual, with the lowest share being 57.1% and the highest being 76.5%. CTV's time is coming, but clearly mobile still rules the digital roost.

- **Five industries will devote more than 70% of their digital ad budget to mobile.** Led by entertainment, these industries—including computing products and consumer electronics, CPG, financial services, and telecom—will all continue to spend a greater share on mobile than the national average. Entertainment will also grow its mobile spend the quickest this year, by 37.5%.
- **Travel and the healthcare and pharma industry are the friendliest to nonmobile ad spending.** This year, healthcare and pharma will allocate 42.9% of its digital ad budget to bigger screens, and travel's 41.1% will also far exceed the national average. Retail, however, will spend by far the most on nonmobile (\$16.68 billion).

The digital ad spending category that we now call “nonmobile” was once composed almost entirely of desktop and laptop ad spending. For many years, this kind of nonmobile ad spending heavily lagged behind mobile ad spending in terms of growth. Although aggregate nonmobile spending increased every year, it tended to rise by low double-digit rates, far slower than the 20% to low 30% growth seen by mobile before the pandemic. Hence, mobile ad spending stole more and more share from nonmobile over time.

CTVs are changing this narrative. As the center of the home for many families, these large, nonmobile screens are now a booming channel for digital ad spending.

We anticipate that CTV ad spending will increase by 48.6% this year to reach \$13.41 billion. Spending on CTV will continue to grow faster than on mobile (and overall nonmobile) for at least the next several years. Suddenly, nonmobile ad spending is relevant again.

US Nonmobile Ad Spending, by Industry, 2021

billions, % change, % of industry digital ad spending, and % of total nonmobile ad spending

	Nonmobile ad spending	% change	% of industry digital ad spending	% of total nonmobile ad spending
Automotive	\$5.67	18.6%	37.9%	9.3%
Computing products & consumer electronics	\$4.13	27.2%	25.0%	6.7%
CPG	\$8.73	30.0%	28.6%	14.2%
Entertainment	\$2.62	36.2%	23.5%	4.3%
Financial services	\$7.25	14.5%	29.6%	11.8%
Healthcare & pharma	\$5.24	10.6%	42.9%	8.5%
Media	\$3.60	19.8%	37.0%	5.9%
Retail	\$16.68	32.5%	35.1%	27.2%
Telecom	\$3.43	12.4%	24.9%	5.6%
Travel	\$1.46	17.7%	41.1%	2.4%
Other	\$2.47	22.2%	38.0%	4.0%
Total	\$61.29	23.4%	32.1%	100.0%

Note: includes advertising that appears on desktop and laptop computers; includes advertising that appears on connected TV (CTV) devices; includes display ads that appear on home screens and in-stream video ads that appear on CTVs from platforms like Hulu, Roku, and YouTube; excludes network-sold inventory from traditional linear TV and addressable TV advertising; numbers may not add up to total due to rounding
Source: eMarketer, June 2021

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We estimate that US digital advertisers will allocate \$61.29 billion to nonmobile channels this year. Although CTV is still well behind desktop and laptop in spending (making up about 22% of the nonmobile advertising pie this year), CTV’s growth will boost the overall nonmobile figure to a healthy 23.4% increase this year and a 15.5% increase next year. These growth rates are comparable to what mobile will see.

For more about mobile and nonmobile ad spending, Insider Intelligence subscribers can read our latest report:

Report by Ethan Cramer-Flood Sep 16, 2021

US Digital Ad Spending by Industry 2021

