

Advertising spending looks to rebound in 2021, driven by digital media

Article

The news: Both US and global marketing spending rebounded significantly in 2021, bringing projections back in line with pre-pandemic trends, per a report from forecaster PQ Media.

- US marketing spending will increase **8.7%** this year to **\$539 billion**.
- Marketing worldwide spend will climb **7.2%** to **\$1.376 trillion**.

More on this: Though all forms of advertising including traditional media are making gains, the comeback was driven primarily by increases in digital and alternative ad spending.

- While digital and alternative media advertising will rise **12.6%**, far outpacing traditional media's **3.3%** growth, it has yet to surpass traditional advertising in overall spending. Digital and alternative media spend will reach **\$613.89 billion worldwide**, while traditional media will dominate at **\$762.52 billion**.
- **PQ founder and CEO Patrick Quinn** cited “double-digit growth in streaming audio and video advertising, digital video game advertising, digital product placement, social media advertising and influencer marketing, among others” as the primary drivers of advertising growth in 2021.
- Those increases are reflected in features launched across media platforms this year. Audio services spent the year battling for the attention of **podcast listeners** and **creators**, while social media services spent the second half of the year launching a number of **social commerce**-oriented features. Additionally, multiplayer video games like **Fortnite** and **Roblox** partnered with music advertisers to hold virtual, **in-game concerts**.

Why this matters: The changes to the advertising landscape brought on by the pandemic are clear now that growth is back on track with its pre-pandemic trends. Traditional advertising will always have its place, but digital and alternative channels are giving advertisers new and more effective ways to reach consumers.

- However, with the new omicron variant quickly causing anxiety across the globe, the ground regained in 2021 isn't a guarantee that things will fully return to normal.