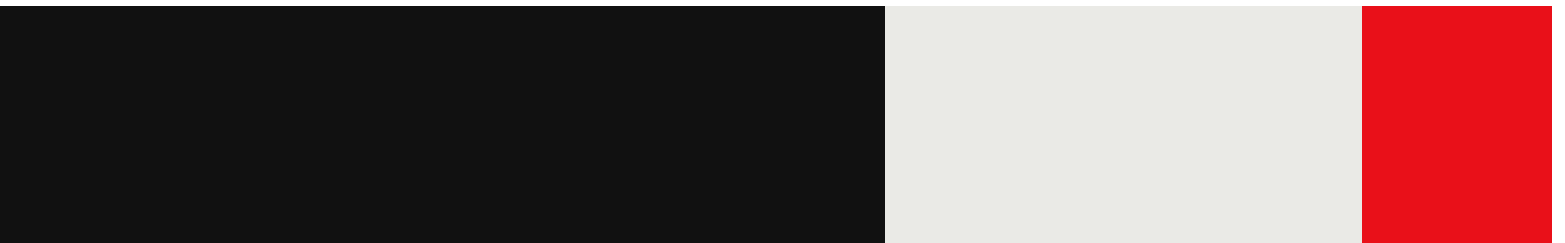


The state of programmatic advertising in 5 charts

Article

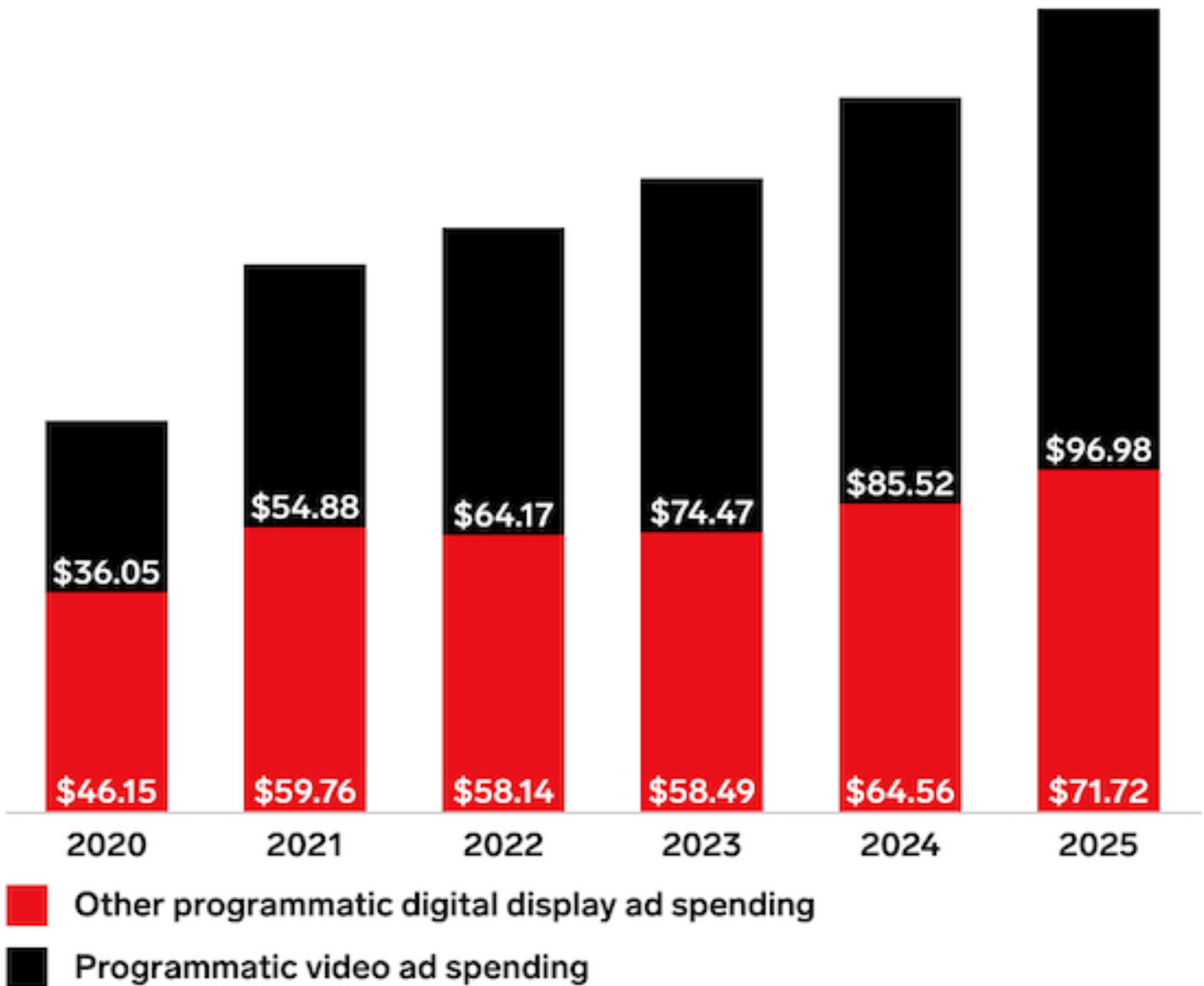


Programmatic advertising digital display ad spend will make up 90% of digital display ad spend in the US this year, and that share is growing, according to our forecast. Most of the \$132.96 billion in spend will go to video, but non-video ads still make up a large portion. Here are five charts summarizing where programmatic ad spend is headed and the identity challenges it faces right now.

1. Programmatic pivoted to video

Almost All of US Programmatic Display Ad Spending Growth in 2023 Is in Video

mobile programmatic display ad spending, billions



Note: digital display ads transacted or fulfilled via automation, including everything from publisher-erected APIs to more standardized RTB technology; programmatic video includes in-stream video ads such as those appearing before, during, or after digital video content in a video player (pre-roll, mid-roll, or post-roll video ads) and video

overlays; includes social network in-stream video advertising on platforms such as Facebook Watch and Snapchat Shows; includes outstream video ads such as native, in-feed (including video ads in Facebook's News Feed and Twitter's Promoted Tweets), in-article, in-banner, and interstitial video ads; includes ad spending on tablets for all formats mentioned; other programmatic includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes sponsorship, nonvideo rich media, and nonvideo native ads and ads on social networks like Facebook and Twitter

Source: Insider Intelligence | eMarketer, April 2023

350338

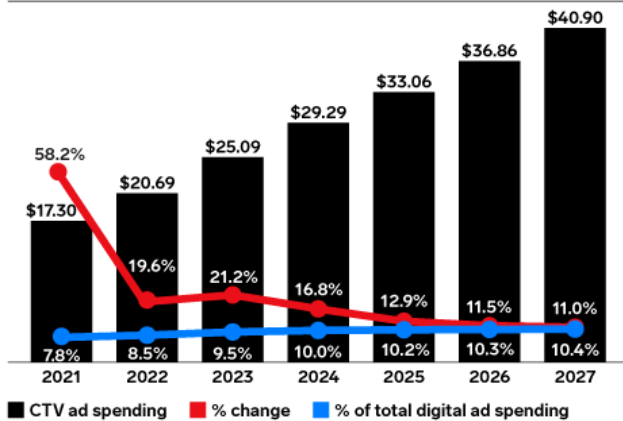
eMarketer | InsiderIntelligence.com

US programmatic video ad spend passed non-video for the first time last year, according to our forecast. Over the next few years, programmatic video ad spend will increase faster than non-video. The uptick in video ad spend is driven by connected TV (CTV), mobile, and social media advertising on TikTok and other platforms.

2. Breaking out CTV growth

US Connected TV (CTV) Ad Spending, 2021-2027

billions, % change, and % of digital ad spending



Note: digital advertising that appears on 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

Source: eMarketer, March 2023

281241

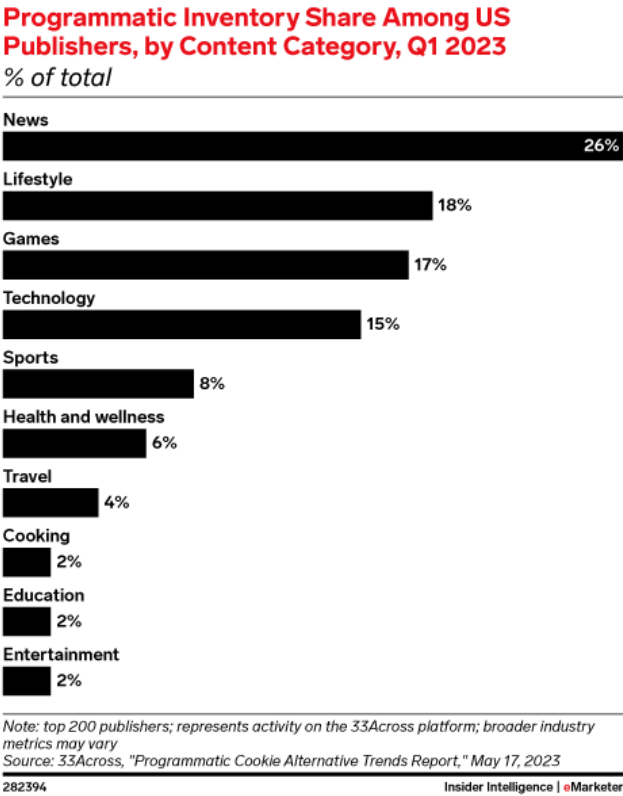
eMarketer | InsiderIntelligence.com

Of the \$25.09 billion in US CTV ad spend we project this year, \$21.52 billion will be programmatic. That means close to 9 in 10 CTV ad dollars are programmatic, and

programmatic ad spend on the platform will climb by double digits through the end of our forecast period in 2025.

CTV ad spend could grow even higher, but 65% of advertisers are still wary of content-level transparency, according to Proximic. Better transparency and streamlined ad buying would push advertisers even further toward programmatic advertising on CTV.

3. Breaking down inventory categories



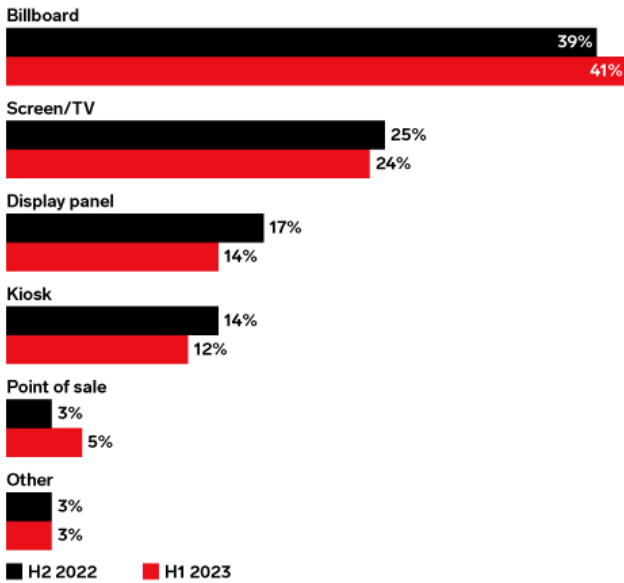
Some 26% of programmatic ad inventory is news More than 10% goes to lifestyle, games, and technology, according to 33Across.

Within non-video inventory in these categories, publishers are fighting over a fairly stagnant pool of non-video programmatic ad dollars.

4. Programmatic advertising is grabbing out-of-home (OOH) share

Asset Share of US Programmatic Out-of-Home (OOH) Spending, H2 2022 & H1 2023

% of total



Note: represents activity on the Place Exchange platform; broader industry metrics may vary; numbers may not add up to 100% due to rounding
Source: Place Exchange, "H1 2023 Place Exchange Programmatic OOH Trends Report," July 26, 2023

282879

Insider Intelligence | eMarketer

Programmatic advertising will account for more than 10% of US OOH ad spend and more than 30% of digital OOH ad spend in 2025, according to our forecast. Within this category, the largest share (41%) is going to billboards, followed by screens and TVs (24%), according to Place Exchange.

5. Programmatic faces an identity crisis

Solutions That Hold the Greatest Promise in Replacing Cookie-Dependent Solutions According to Advertisers and Publishers Worldwide, Feb 2023

% of respondents

	Advertisers	Publishers
Advertiser first-party data activation	49.0%	16.6%
Google Topics (formerly known as FLoC)	37.9%	12.6%
Attention-based metrics	33.7%	30.7%
Social media advertising/targeting	31.0%	39.1%
Contextual advertising	30.5%	20.5%
Publisher first-party data activation	27.1%	47.3%
Unified ID technology	21.7%	24.3%
Programmatic direct deals or PMPs	14.0%	32.7%

Source: DoubleVerify, "Post-Cookie Questions: How Advertising Strategies and Sentiments Are Evolving," May 1, 2023

281669

eMarketer | InsiderIntelligence.com

With third-party cookies going away, **programmatic advertising needs to rely on alternative data solutions**. Advertisers and publishers worldwide view their own first-party data activations as most promising for replacing cookies, per DoubleVerify. In the US, **identity solutions and services spending is on the rise**, passing \$10 billion this year, according to our forecast.

This was originally featured in the eMarketer Daily newsletter. For more marketing insights, statistics, and trends, subscribe [here](#).