


# Web publishers are fighting over a pie that is barely growing

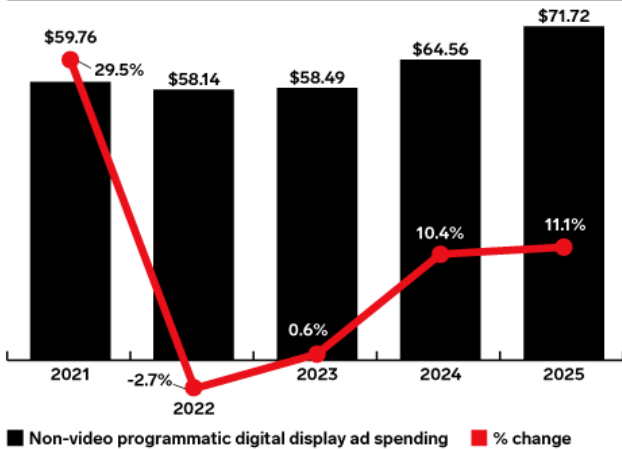
Article



From 2014 to 2021, spending on non-video programmatic digital display ads in the US had compound annual growth of 27.3%. In 2022, that screeched to a halt, and spending actually declined 2.7%. In 2023, it will effectively be flat at \$58.49 billion.

## US Non-Video Programmatic Digital Display Ad Spending, 2021-2025

billions and % change



Source: Insider Intelligence | eMarketer, April 2023

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Insider Intelligence | eMarketer

Even though advertisers' preference for video keeps growing, most publishers remain heavily reliant on banner ads.

- **81% of the impressions sold in Q1 2023 were banners.** Even though advertisers are increasingly focused on video, much of what's available for sale—and much of the real estate on web publishers' properties—is banners, according to the Association of National Advertisers (ANA).
- **Most banners command low prices.** The same ANA report found 50% of the display inventory available in the open market has a cost per thousand (CPM) under \$3—the average price was \$2.66. For comparison, desktop video CPMs start at \$5, and terrestrial radio ad CPMs start at \$4.
- **This slowdown has helped drive record numbers of media layoffs.** The consulting firm Challenger, Gray & Christmas, which tracks the employment across several sectors including media, said media companies had announced more than 17,000 job cuts through the first four months of 2023. That's the highest number ever recorded by the firm.

Report by Max Willens Jul 25, 2023

# Publisher Ad Monetization 2023

