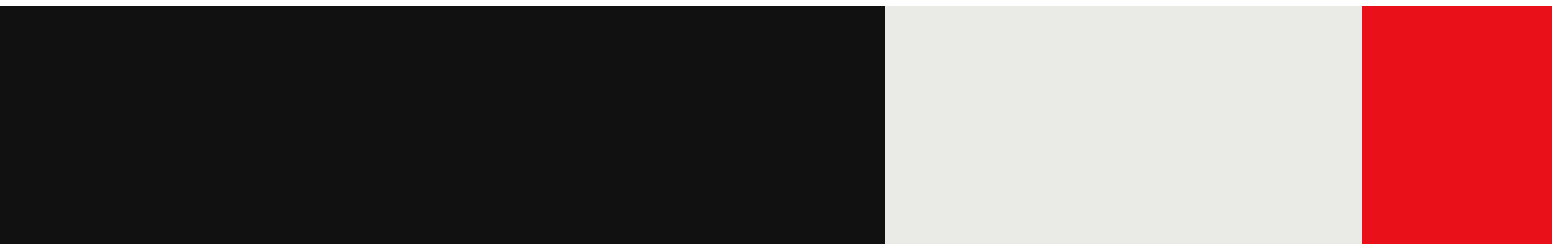


Bad news for publishers: Over half of marketers expect a decline in programmatic ad spending in 2023

Article

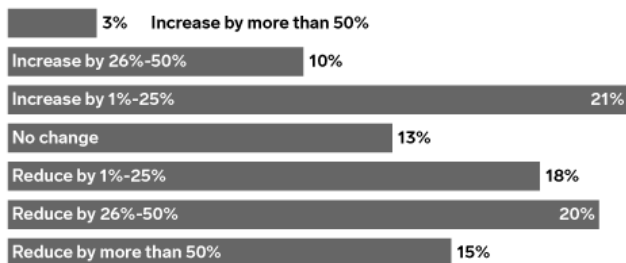


The news: More than one in two marketers (53%) expect programmatic advertising expenditures will fall in the coming year, owing in part to increased investments in walled gardens.

- Ultimately, 15% expect to reduce programmatic spending by more than 50%, and an additional 20% expect to cut it by 26% to 50%, according to a survey commissioned by identity platform **Lotame** and conducted by **PureSpectrum**.
- Only **one in three marketers indicate they intend to increase programmatic spending** next year.
- The survey included over 1,400 industry professionals, marketers, and publishers in the US, UK, Australia, Colombia, India, Mexico, and Singapore.

Change in Programmatic Ad Spending According to Marketers Worldwide, Sep 2022

% of respondents



Note: in one year

Source: Lotame, "Beyond the Cookie: Next-Generation Customer Acquisition & Retention for Marketers and Publishers" conducted by PureSpectrum, Nov 3, 2022

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Post-cookie readiness: With regard to post-cookie identity resolution, many marketers appear to be playing the field for the time being. In a comparative 2021 study, three-quarters of marketers indicated they planned to try new or more partners; in Lotame's latest findings, that number has actually increased, with advertisers investigating a number of identity possibilities.

- Marketers cited a favorable experience with identification solutions so far. Thirty-five percent identified more efficient inventory purchasing as a benefit, and 26% believe they've secured higher quality real estate in the process.

Why it matters: Identity solutions are increasingly seen as a priority by marketers and publishers alike. In fact, the Lotame study found that marketers who see selection of identity

solutions as a “most urgent” priority jumped from 18% to 37% in just one year; for publishers, that jump was 14% to 35%.

- Upward of one-third (37%) of marketers said they intend to increase their investment in walled gardens in the coming year. That’s up from 18% in February 2021 and suggests a rising preference for walled gardens, which is potentially discouraging news to publishers’ ears.