

Worldwide ad spending 2021: A year for the record books

Article

Led by an unprecedented expansion in digital advertising, total worldwide ad spending will set a record for growth this year. In 2021, **traditional ad**, **digital ad**, and **total ad spending** will all post their highest rates of increase since we began tracking these categories internationally in 2011.

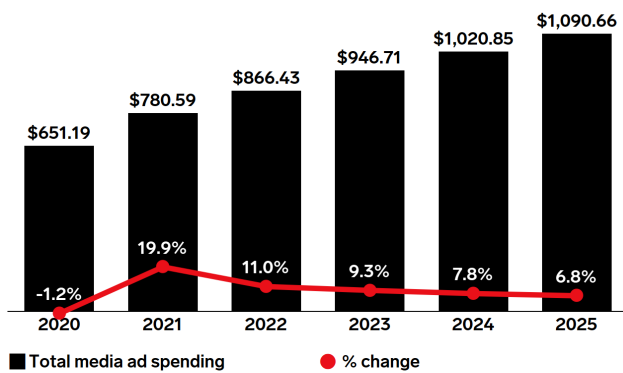
Pandemic conditions caused worldwide ad spending to decline by **1.2%** last year, the first contraction on record. However, thanks to 2021's extraordinary rebound, total spending by the end of this year will exceed 2019's pre-pandemic figure by more than **\$120 billion**.

We foresaw a huge rebound in our 2021 forecast earlier this year, **but digital spending is on track to far exceed our expectations**, and this will pull up the overall numbers substantially.

- **Traditional ad spending will also end up with unusually strong growth**—in line with our initial forecast—thanks to the low base effects caused by 2020's extreme, pandemic-driven pullbacks in TV, out-of-home (OOH), and newspaper advertising.

Total Media Ad Spending Worldwide, 2020-2025

billions and % change



Note: includes digital (desktop/laptop, mobile, and other internet-connected devices), directories, magazines, newspapers, out-of-home, radio, and TV
Source: eMarketer, October 2021

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eMarketer | InsiderIntelligence.com

Much of 2021's growth spurt was due to unusual circumstances, and the advertising industry is highly unlikely to see a year like 2021 ever again. As of Q4 2021, there are already signs that the digital ad boom is losing steam, and we expect significant deceleration in spending growth in the coming years. Nonetheless, **2021 will be one for the record books**.

- **Total worldwide ad spending is set to increase 19.9% this year, reaching \$780.59 billion.** Previously, we forecast 15.0% growth. That equates to **\$32.92 billion** more in spending than initially anticipated.
- **Worldwide digital ad spending will surge by 29.1% this year.** Digital ad buyers will end up shelling out **\$491.70 billion** this year, far more than the **\$455.30 billion** we projected back in Q1.

- **Display and search ad spending are both rebounding with gusto.** Display has been outperforming search for many years, but they will end up with nearly equal growth from 2021's digital boom (**30.8%** and **29.3%**, respectively).

Read the full report.

Report by Ethan Cramer-Flood Nov 23, 2021

Worldwide Digital Ad Spending Year-End Update

