

Online Ad Spend Surpasses Newspapers

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A milestone for advertising on the internet

2010 will mark the first time marketers put more money into online advertising than newspapers, eMarketer estimates.

Total newspaper spending, including advertising in print and online editions, will fall to \$25.7 billion in 2010, a decline of 6.6%. Spending on print newspapers alone will fall more steeply to \$22.8 billion.

Meanwhile, a rise of 13.9% will push US online ad spending up to \$25.8 billion by yearâ€™s end.

The spending gap will widen significantly next year, as total newspaper spending falls again to \$24.6 billion (including \$21.4 billion for print) and online climbs to \$28.5 billion.

â€œItâ€™s something weâ€™ve seen coming for a long time, but this is a tipping point,â€• Geoff Ramsey, CEO of eMarketer, told Wall Street Journal.

Despite a drop in the dollar amount of online newspaper spending during the recession, online has been accounting for a growing portion of all newspaper ads as print spending declines even more sharply.

In 2010, online makes up about 11.7% of all US newspaper ad spending, a proportion set to rise to 13% next year.

Ad spending on newspapers is expected to continue its decline. eMarketer estimates that print newspaper spending has already been cut in half since 2006, and online has done relatively little to make up the difference.

By contrast, total US online ad spending will continue double-digit growth through 2014, when it will surpass \$40 billion.

21 December 2010