

Display Budgets Make Room For Online Video

Contributed by eMarketer
Monday, 30 May 2011
Last Updated Tuesday, 31 May 2011

Dollars coming from banner ads, less so from TV

Online video advertising's effectiveness is helping it peel dollars away from other areas, and while TV budgets are one source of funding, more advertisers are shifting greater shares of dollars from other display budgets to video, according to research from online video ad network BrightRoll.

More than 85% of the ad agencies surveyed said spending was most commonly shifting from other types of display advertising to online video.

Shifting funds from television, by contrast, was less common, at less than 65% of all agencies.

And those that were pulling funds from TV budgets were moving smaller shares.

Other types of online advertising, including social media and search, were untouched by more than seven in 10 agencies.

These spending plans largely reflect the comparative effectiveness ratings agencies gave to the various ad media. More than 57% of respondents said online video advertising was more effective than display.

Only about half as many said online video was more effective than TV, however; more thought it had the same effectiveness.

The value of online video, according to the survey, rested most on its targeting capabilities and reach—the same responses agencies gave in an earlier survey by the Interactive Advertising Bureau.

Agencies told BrightRoll online video would be the fastest-growing ad medium this year. eMarketer also predicts online video advertising spending will grow rapidly, by 38.6% this year, to \$2 billion.

13 May 2011