

Mobile And Video Grab A Greater Share Of Digital Ad Budgets

Contributed by eMarketer
Tuesday, 13 March 2012

Vast majority of US advertisers, agencies plan on using mobile and video in 2012

Marketers must diversify their ad investments across a wider variety of digital channels to keep up with today's media consumption habits. Not surprisingly, digital ad agency ValueClick media found US marketers' digital advertising budget allocation for 2012 was expected to mirror popular consumer usage trends, resulting in more spending on mobile and video efforts.

Almost half (49%) of US marketers surveyed by ValueClick planned to boost video ad spending, and 65% noted increases to their mobile budgets for 2012. These two channels also saw the smallest number of marketers who said they planned to decrease spending: 3% for mobile and 2% for video.

In December 2011, 66% of US marketers said they planned to spend between 1% and 24% of their 2012 digital budget on mobile, compared to 50% last year. In addition, 52% of US marketers planned to allocate a similar portion to video, up nearly 27% from 2011.

Additional data showed the vast majority of respondents (94%) planned to purchase standard mobile banner ads. Roughly half also planned to buy mobile rich media ads (53%) and mobile video ads (49%).

Such high levels of interest in standard mobile display ads will help US mobile ad spending skew further toward rich media and banner advertising this year. Ad spending on these two formats will comprise one-third of total US mobile ad spending in 2012, or \$861.7 million, according to eMarketer estimates. Video will account for 5.8%, or \$151.5 million, of the year's \$2.61 billion in total US mobile ad spending.

The greatest share of US mobile ad spending will continue to go to search, expected to account for 49% of all ad dollars this year. This is unsurprising, given that mobile is still working to achieve mass reach and scale—two common prerequisites for display advertisers. In the meantime, mobile search advertising will continue to dominate mobile ad spending.

In terms of mobile campaign measurement practices, additional data from ValueClick showed that, in December 2011, marketers were just slightly more likely to measure their mobile efforts with brand-health metrics as opposed to direct-response measures. And ValueClick found the highest percentage (63%) of US marketers measured mobile performance using clickthrough rate.

For now, mobile appears to be a channel equally employed for branding and direct-response objectives, and measurement metrics reflect that near-equal division.

About eMarketer

Please visit <http://www.emarketer.com/Welcome.aspx> for more information

12 March 2012