

US Advertising & Marketing Revenues Up 3.2% in 2017 to \$470.5B, As Dearth of Even-Year Ad Splurge Offset By Rise Of Multiple Dynamic New Media Platforms & Channels

US advertising & marketing revenues are pacing for 3.2% growth in 2017 to \$470.5 billion, as decelerated growth in key traditional media channels due to the lack of major political and sporting events is being offset by strong upside in emerging digital & alternative media, according to new PQ Media report.

STAMFORD, Conn. (PRWEB) November 21, 2017 -- US advertising & marketing revenues are pacing for 3.2% growth in 2017 to \$470.5 billion, as decelerated growth in key traditional media channels due to the lack of major political and sporting events is being offset by strong upside in emerging digital & alternative media, according to new industry benchmark data released by <u>PQ Media</u>.

Based on data through 3Q17, domestic ad & marcom growth is being fueled mainly by mobile channels, such as smart technology, gaming, coupons and social media, accentuated by expansion in alternative media like influencer, content, word-of-mouth and branded entertainment marketing, per PQ Media's annual <u>Global</u> <u>Advertising & Marketing Revenue Forecast 2017-21</u>.

While the absence of even-year splurges on global sporting events and hotly-contested US political campaigns has slowed growth this year, a healthy slate of mega-events scheduled for 2018 in both domestic and international markets is expected to drive accelerated growth, as major brand marketers scramble to capitalize on big consumer targeting opportunities related to the FIFA World Cup in Russia, the Winter Olympics in South Korea and the anticipated series of contentious political races across America, following a highly controversial presidential election last year.

Total US digital & alternative media is on pace to grow 11.6% in 2017 to \$179.6 billion, while traditional advertising & marketing is projected to decline 1.0% to \$290.9 billion, per the just-released report, the first of three in PQ Media's annual <u>Global Media & Technology Forecast Series</u>. Some 28 of 41 digital & alternative media channels tracked will post double-digit growth rates this year, such as mobile location marketing, digital billboard advertising, online videogame advertising, product placement in television and over-the-top video.

Among the key growth drivers, brands are leveraging non-traditional ad & marketing channels to connect with younger demographics, including sponsorships of popular sports stars and emerging online video celebrities, via mobile beacons and proximity services at retail and hospitality venues, as well as the use of product placements in the exploding number of original programs streamed through OTT video services like Netflix, Amazon Prime and Hulu. Business-to-business marketers, meanwhile, are cultivating niche industry opinion leaders to drive mobile, social and online media conversations via influencer and content marketing tactics, such as innovative word-of-mouth campaigns and sponsored webinars.

Among the hottest trends is the phenomenal rise of smart tech marketing, in which brands utilize artificial intelligence, augmented reality, the internet of things and others to engage increasingly elusive younger demos through emerging digital media platforms and channels. Smart tech marketing has posted three consecutive years of at least triple-digit growth, a phenomenon that PQ Media has tracked and analyzed exclusively to generate the first-ever comprehensive datasets in the new edition of the <u>Global Advertising & Marketing</u>



Revenue Forecast 2017-21.

"With smartphone penetration nearing 100% among Millennials, marketers are summoning their utmost creativity to connect with them through non-traditional campaigns that leverage extensions of internet channels, such as mobile search, gaming, social nets and video," said PQ Media President Patrick Quinn. "Most popular are media channels void of ad-skipping technology that can engage these harder-to-reach audiences across a range of out-of-home environments, such as event marketing at fairs and concerts, product placements in music videos, live-streaming content marketing on social media, and word-of-mouth marketing through influential brand ambassadors."

Although print media advertising has lost almost half its value during the last two decades, a similar pattern has emerged among internet media channels as brands continue to shift investments to other digital & alternative media. Several internet channels have begun to record low single-digit, or even negative growth rates after many years of boasting double-digit gains, including e-mail marketing and online search, Quinn added.

In addition, traditional marketing platforms, such as consumer promotions, are showing signs of decline with little hope for rebounding from a significant change in the mindset of many brand marketers that favors increased use of these emerging non-traditional marketing strategies and tactics. For example, the use of point-of-purchase displays has fallen as more franchise stores shutter, fewer consumers visit box stores to order via e-commerce, and shopping trips to malls include fewer stores per visit.

Despite such weakness in these traditional platforms, the underlying swing to multiple digital & alternative media leads PQ Media analysts to project US ad & marcom revenue growth will upshift in 2018 to 5.2%.

About the Report:

<u>PQ Media's Global Advertising & Marketing Revenue Forecast 2017-21</u>. is the first of three reports to be released in 2017 as part of the annual Global Media & Technology Series, a three-report bundle designed so each report works both individually and collectively as part of the series to provide users with intelligent data covering over 100 consumer-facing media sectors, silos, platforms and channels, including advertising, marketing and consumer-driven digital, alternative and traditional media. To download a free executive summary and sample datasets visit: <u>http://www.pqmedia.com/gamf-2017.html</u>.

About PQ Media:

<u>PQ Media</u> is a leading provider of actionable market intelligence and strategic guidance to the world's top media and technology organizations. PQ Media's proprietary methodology, databases and opinion leader panels prepare management teams with intelligent data and analytics they need to make smarter business decisions.



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