



68% of Marketers and Agencies Anticipate Increasing Their Digital Video Ad Spend in Next 12 Months, According to IAB Study

NewFronts' Power to Influence Ad Sales in Original Digital Video Confirmed by Survey of More Than 300 Buy-Side Executives

NEW YORK, NY (April 27, 2015) — More than two-thirds (68%) of marketers and agency executives expect to see their digital video ad budgets increase in the next 12 months, according to the second annual “Digital Content NewFronts: Digital Video Spend Study,” a survey of 305 buy-side professionals conducted by [Advertiser Perceptions](#) and released today by the Interactive Advertising Bureau (IAB). This optimism about the medium comes on the heels of a strong uptick from spring 2013 to spring 2015 in budget allocation to digital video by brand advertisers and media buyers, with the former increasing its commitment to digital video by a whopping 90 percent over that two-year time period.

For the most part, the buy-side expects that greater investment in digital video will come from rising advertising budgets in 2015, and a shift in funds away from broadcast and cable television. Two-thirds (67%) of the survey’s respondents said that they anticipate their broadcast and cable TV ad budgets to stay the same or decrease in the next year.

The study further revealed that two-thirds of marketers and agency executives (67%) believe that original digital video will become as important as original TV programming within the next 3 to 5 years. In order to close the gap between digital video and TV programming, both groups will be looking for digital to demonstrate its ability to develop effective sales and branding opportunities, and produce metrics that are consistent with TV.

In addition, 8 in 10 advertisers and agency executives who attended the 2014 NewFronts agree that their participation resulted in more spending on original digital video content and/or motivated them to increase their 2015 budgets. The marketplace event has been directly responsible for driving more than a third (36%) of buy-side attendees’ spend on original digital video advertising over the past 12 months. This marks a double-digit increase of 24 percent in the NewFronts’ impact on share of spend over the same time in 2013.

Whether they have attended in the past or not, the majority (77%) of brand advertising decision-makers are aware of the NewFronts, with those in Automotive, Telecommunications, and Retail verticals being most familiar. Among those advertisers with knowledge of the marketplace, three-quarters plan to attend in 2015 – representing a 111 percent increase from 2013.

Advertisers across Automotive, CPG, Financial Services, Retail, and Telecommunications have plans to devote more dollars to digital video, and the majority (67%) anticipates moving a portion of spend out of TV to do so. CPG, Financial Services, and Telecommunications marketers expect the greatest impact to be on their cable TV budgets. In comparison, despite planning cuts to broadcast and cable TV, two-thirds (63%) of Automotive advertisers say they are most likely to get the funding from expanding budgets.

“This study demonstrates unequivocally that digital video is a fierce competitor for advertising dollars,” said Sherrill Mane, Senior Vice President, Research, Analytics, and Measurement, IAB. “Brand advertisers and media buyers have been dramatically increasing their commitment to digital video, so all signs point up for this captivating form of storytelling as the industry rallies for the NewFronts.”

“The extent to which the NewFronts are driving big dollars to original digital video content and shaping the marketplace is evident,” said Anna Bager, Senior Vice President of Mobile and Video, and GM of the Digital Video Center of Excellence, IAB. “Marketers and agencies are planning to direct more of their budgets to digital video, and a significant number of these spending decisions will be made as a direct result of NewFronts presentations over the next two weeks.”

The release of the survey coincides with the start today of the 2015 Digital Content NewFronts. Managed by the IAB, the two-week annual event features presentations by 33 of the largest, most important, and innovative digital video and technology leaders. Since last year, the number of presenters has increased by more than 50 percent, extending the length and expected attendance of the marketplace.

Methodology

The research was conducted by Advertiser Perceptions, which surveyed 305 marketer and agency executives online from March 26 – April 9, 2015. To qualify, these executives needed to be involved in digital video or TV advertising decision-making at a company responsible for \$1M+ total ad spend in 2014. More than half of the participants (53%) were senior level (VP+ job title).

About Advertiser Perceptions

When it comes to gaining knowledge and clarity about what advertisers think, nothing compares to what Advertiser Perceptions delivers. They are the world leader in providing media company executives with the research-based advertiser insight and guidance necessary for producing superior advertiser experiences, strengthening media brands, improving advertiser satisfaction and increasing advertising sales. The company specializes in determining, analyzing, communicating and applying what advertisers think — their plans, opinions and motivations.

About the IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. Together, they account for 86 percent of online advertising in the United States. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. The organization is committed to professional development, elevating the knowledge, skills, and expertise of individuals across the digital marketing industry. The IAB also educates marketers, agencies, media companies and the wider business community about the value of interactive advertising. Founded in 1996, the IAB is headquartered in New York City.