

MARKET ASSESSMENT

1.1 Overview

Consumer marketing, also referred to as business-to-consumer (B2C) marketing, is an ongoing process of planning and executing the marketing mix (product, price, place, and promotion) of products and services to consumers. Marketing includes advertising, distribution, and selling, but it is also concerned with anticipating consumers' needs and wants, which are typically revealed through market research.

Consumer Marketing & Advertising 2025 focuses on the consumer marketplace from a marketer's perspective and assesses marketing activities by companies that sell products and services of all types to the consumer.

Consumer Marketing & Advertising 2025 has as a companion handbook *Consumer Behavior 2025*, which provides insight from the consumer perspective and assesses consumers' shopping/spending behaviors.

1.2 Marketing, Advertising & Data

Winterberry Group (www.winterberrygroup.com) assessed total U.S. advertising and marketing spending as follows (change from previous year in parenthesis):

	Traditional/Offline	Digital/Online	Total
• 2019:	\$222.7 billion	\$154.0 billion	\$376.6 billion
• 2020:	\$183.8 billion	\$184.5 billion	\$368.3 billion
• 2021:	\$195.4 billion	\$253.1 billion	\$448.5 billion
• 2022:	\$202.8 billion	\$287.4 billion	\$490.2 billion
• 2023:	\$195.1 billion	\$320.0 billion	\$515.1 billion

Advertising and marketing spending by channel in 2023 was as follows (change from prior year in parenthesis):

Traditional/Offline Media

• Linear TV:	\$ 55.7 billion (-9.4%)
• Experiential/sponsorship:	\$ 43.5 billion (6.4%)
• Direct mail:	\$ 37.6 billion (-9.8%)
• Shopper marketing:	\$ 23.1 billion (4.1%)
• Radio:	\$ 11.4 billion (-3.5%)
• Out-of-home:	\$ 7.6 billion (-1.0%)
• Magazines:	\$ 6.2 billion (-8.0%)
• Newspapers:	\$ 6.1 billion (-6.9%)

- Addressable TV: \$ 3.4 billion (-4.3%)
- Total traditional: \$195.1 billion (-3.8%)

Digital/Online

- Search: \$107.5 billion (9.3%)
- Paid social: \$ 69.1 billion (12.2%)
- Display: \$ 50.8 billion (10.4%)
- Digital video (OTT/streaming): \$ 26.2 billion (10.9%)
- Connected TV/streaming: \$ 20.1 billion (20.1%)
- Digital audio (radio/podcasts): \$ 8.4 billion (11.0%)
- Engagement marketing: \$ 6.5 billion (9.2%)
- Influencer: \$ 6.3 billion (15.0%)
- Mobile gaming: \$ 6.3 billion (11.1%)
- B2C lead generation: \$ 5.0 billion (6.0%)
- Digital out-of-home: \$ 4.3 billion (19.1%)
- Affiliate network fees: \$ 4.0 billion (8.7%)
- Total digital: \$320.0 billion (11.3%)

Marketing data spending in 2023 was \$31.7 billion, distributed as follows (change from previous year in parenthesis):

- Data infrastructure: \$13.4 billion (11.3%)
- Data services: \$10.0 billion (6.0%)
- Data: \$ 8.3 billion (3.0%)

1.3 Media Advertising Spending

Emarketer (www.emarketer.com) assesses total U.S. media advertising spending as follows (change from previous year in parenthesis):

- 2015: \$183.06 billion (4.4%)
- 2016: \$195.76 billion (6.9%)
- 2017: \$207.30 billion (5.9%)
- 2018: \$219.27 billion (5.8%)
- 2019: \$230.93 billion (5.3%)
- 2020: \$225.79 billion (-6.8%)
- 2021: \$262.42 billion (16.2%)
- 2022: \$287.13 billion (9.4%)
- 2023: \$306.09 billion (6.6%)
- 2024: \$322.11 billion (5.2%)

1.4 Market Resources

Emarketer, One Liberty Plaza, 9th Floor, New York, NY 10006. (800) 405-0844. (www.emarketer.com)

Winterberry Group, 115 Broadway, 5th Floor, New York, NY 10006. (212) 842-6000.
(www.winterberrygroup.com)

PODCAST ADVERTISING

16.1 Podcast Listeners

According to Pew Research (www.pewresearch.com), 41% of U.S. adults listen to podcasts once a year; 28% do so monthly.

Emarketer (www.emarketer.com) assessed the number of U.S. podcast listeners as follows:

- 2019: 92.0 million
- 2020: 107.0 million
- 2021: 117.8 million
- 2022: 125.0 million
- 2023: 131.2 million

Note: Includes listening to podcasts via video platforms such as Youtube.

According to Emarketer, the distribution of U.S. podcast listeners, by generation, is as follows:

- Generation Z: 26%
- Millennial: 34%
- Generation X: 22%
- Baby Boomers: 14%

16.2 Market Assessment

Emarketer assesses podcast ad spending as follows (change from prior year in parenthesis):

- 2018: \$ 479 million (52.6%)
- 2019: \$ 701 million (46.3%)
- 2020: \$ 866 million (23.6%)
- 2021: \$1.34 billion (55.1%)
- 2022: \$1.73 billion (28.6%)
- 2023: \$2.20 billion (27.2%)
- 2024: \$2.56 billion (16.4%)

“Podcast advertising is unique. People who subscribe to ad-free platforms like Spotify Premium can still hear embedded podcast ads directly in content. That makes ad strategy vital for podcasts, where listeners don’t necessarily click ads but commercials can still leave an impression.”

Emarketer, 1/10/23

16.3 Market Leaders

Apple and Spotify are the largest podcast hosts. Emarketer assessed the number of listeners as follows:

	Apple	Spotify
• 2020:	27.6 million	19.9 million
• 2021:	28.0 million	28.2 million
• 2022:	28.5 million	33.1 million
• 2023:	28.8 million	37.1 million

There are approximately 50 podcast networks in the United States. Ranked by total mobile and desktop unique U.S. monthly audience, the following were the top podcast networks in March 2024 (source: Podtrac [www.podtrac.com]):

Podcast	Monthly Audience	No. of Shows
• iHeartPodcasts:	31,811,000	897
• NPR:	19,419,000	64
• Wondery:	16,764,000	227
• New York Times:	9,967,000	12
• NBC News:	9,221,000	81
• Walt Disney Co.:	8,035,000	106
• DailyWire+:	6,987,000	14
• Vox Media:	5,663,000	63
• Barstool Sports:	5,353,000	101
• PodcastOne:	5,306,000	182
• Paramount:	4,626,000	85
• PRX:	4,430,000	153
• Fox Audio Network:	4,173,000	119

• CNN:	3,273,000	57
• Blaze Media:	3,128,000	18
• WNYC Studios:	2,754,000	35
• This American Life:	2,468,000	1
• ReVolvr Podcasts:	1,569,000	97
• The Athletic:	1,443,000	93
• Lemonada Media:	1,440,000	54

16.4 Top Advertisers

According to Magellan AI (www.magellan.ai), the top advertisers on U.S. podcasts in February 2024 were as follows:

• BetterHelp:	\$8,795,000
• HelloFresh:	\$4,217,800
• Toyota:	\$4,183,300
• Amazon:	\$3,843,100
• VGW:	\$3,703,900
• Shopify:	\$3,452,700
• Rocket Companies:	\$3,183,300
• Oracle Corporation:	\$3,154,500
• DraftKings:	\$2,656,800
• MGM Resorts:	\$2,297,100
• McDonald's:	\$2,205,800
• Squarespace:	\$2,113,300
• Ultra Mobile:	\$1,941,900
• Capital One:	\$1,927,800
• Discover:	\$1,847,000

16.5 Market Resources

U.S. Podcast Advertising Revenue Report, Interactive Advertising Bureau, May 2023. (www.iab.com/insights/us-podcast-advertising-revenue-report-2023/)

SEARCH

17.1 Organic Vs. Paid Search

There are two categories of search: organic search (i.e., listings on search engine results pages that appear because of their relevance to the search terms) and paid search (i.e., listings that are paid based on number of clicks on search engines). Paid search is also referred to as pay-per-click advertising.

Comparing organic search with paid search, a study by Experian Marketing Services (www.experian.com/marketing-services/marketing-services.html) reported search traffic distribution as follows:

	Organic	Paid
• Print media:	99%	1%
• Multimedia entertainment:	96%	4%
• Retail:	87%	13%
• Banking:	87%	13%
• Travel:	76%	24%
• Shopping and classified:	64%	36%

Experian reported that search engines deliver 41% of all website traffic for the 1,000 largest retailers.

Marketers use separate strategies for the two types of search. Search engine optimization (SEO) is deployed to gain placement of listings near the top of search engine results pages. Search engine marketing (SEM) is the method of gaining traffic by purchasing ads on search engines.

17.2 Market Assessment

Winterberry Group (www.winterberrygroup.com) reported search spending in 2022 at \$98.4 billion, a 16.1% increase from the prior year.

Emarketer (www.emarketer.com) assesses search ad spending as follows (change from prior year in parenthesis):

- 2019: \$ 55.90 billion (15.7%)
- 2020: \$ 62.15 billion (11.2%)
- 2021: \$ 86.43 billion (39.1%)
- 2022: \$ 99.00 billion (14.5%)
- 2023: \$111.80 billion (12.9%)
- 2024: \$122.38 billion (9.5%)

- 2025: \$129.89 billion (6.1%)
- 2026: \$136.30 billion (4.9%)

In 2023, search ad spending was 29% of total media ad spending.

17.3 Market Leaders

Emarketer assessed U.S. search ad revenue share as follows:

	2019	2020	2021	2022
• Google:	61.3%	57.9%	56.8%	54.9%
• Amazon:	13.3%	17.9%	19.4%	21.5%
• Microsoft:	6.6%	5.7%	5.0%	4.6%
• Verizon (AOL):	1.9%	1.5%	1.3%	1.1%
• Yelp:	1.7%	1.3%	1.3%	1.2%
• IAC:	1.1%	0.8%	0.7%	0.6%
• All others:	14.0%	14.8%	15.5%	16.0%

17.4 Search Agencies

According to *AdAge*, the following are the ad agencies with the highest annual search revenue (parent companies or networks also given):

- Performics (Publicis): \$180.2 million
- iProspect (Dentsu): \$126.1 million
- iCrossing (Hearst Corp.): \$123.9 million
- GroupM (WPP): \$112.5 million
- Merkle: \$106.5 million

17.5 Top Advertisers

According to *AdAge*, the top search marketing advertisers, ranked by annual spending, were as follows:

- Amazon: \$518 million
- Expedia: \$431 million
- Booking Holdings: \$373 million
- LendingTree: \$361 million
- IAC/InterActive Corp.: \$212 million
- AT&T: \$182 million
- Adobe: \$161 million
- Progressive: \$156 million
- Intuit: \$151 million
- Verizon: \$131 million

17.6 Market Resources

Search Engine Journal. (www.searchenginejournal.com)

Search Insider, MediaPost Communications, 145 Pipers Hill Road, Wilton, CT 06897.
(212) 204-2000. (www.mediapost.com/publications/search-insider/)