



The ExchangeWire Media Pulse: H2 2024

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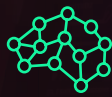
Executive summary

The second half of 2024 in the media, marketing, and commerce industries progressed in much the same way as the first: a thrilling cavalcade of legal developments, national elections, industry debate (were those CTV rumours right or wrong?...), and the continued revival of investment in the sector. Following on from our H1 report, once again we survey the agency, brand, publisher, and technology professionals that comprise the ExchangeWire audience, for their take on the landmark issues of the day.

In the ExchangeWire Media Pulse H2 2024, we cover:



Current and forecast ad spend



Performance and transparency of AI solutions



Fragmentation within CTV



Importance of programmatic digital out-of-home (pDOOH)



The US Department of Justice (DOJ) antitrust case against Google



Confidence with advertising measurement



Impact of legal cases and social media regulation



Adoption of sustainability frameworks to measure carbon emissions

As detailed within this report, the overall mood of the industry is markedly positive. Advertising spend in 2025 is set to build on record increases made last year, fuelled by greater confidence in campaign measurement, heightened interest in DOOH, and mooted opportunities generated through the potential breakup of Google — which is now thought to be likely.

Read on to discover how leading industry professionals reacted to key developments over 2024, and how they expect the sector to evolve moving into the year ahead. For further debate on critical topics across advertising and marketing, such as AI, attention, and retail media, please read our recently-published Industry Review 2025.

Key findings

- Almost 90% of respondents reported in December that they, or their clients, were planning to increase their ad spend through 2025, a dramatic reversal of earlier pessimism in July.
- Out-of-home (OOH) advertising was deemed as the most important channel for the upcoming year — while six-in-ten respondents stated that pDOOH was important within the overall media mix.
- Over three-quarters of those polled believe that Google will have to divest parts of its ad tech stack, following the DOJ trial.
- Almost 60% of respondents are highly confident with measuring their advertising campaigns, claiming previous challenges have eased
- The dramatic closure of the Global Alliance for Responsible Media (GARM), following a lawsuit filed by Elon Musk-owned X, evenly split the ExchangeWire audience in terms of whether it would have a negative, or positive, impact.
- Only 15% of polled respondents believe that the US Congress is set to introduce stricter social media regulations.
- Encouragingly, the majority of respondents stated that they were either already using Ad Net Zero’s Global Media Sustainability Framework to measure their carbon emissions, or were planning to do so.



89%

of respondents reported in December that they, or their clients, were planning to increase their ad spend through 2025



59%

of respondents are highly confident with measuring their advertising campaigns



15%

of polled respondents believe that the US Congress is set to introduce stricter social media regulations

Ad spend

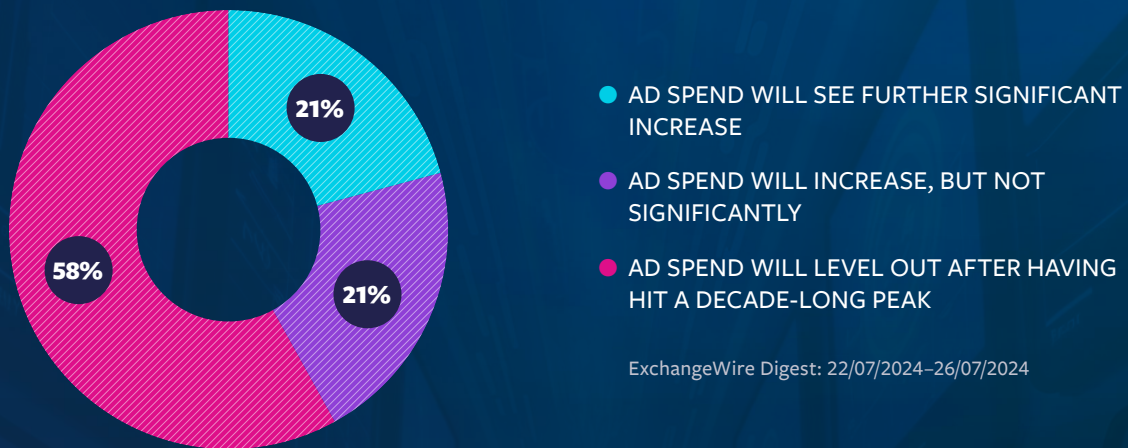


Ad spend expectations — post Q2 2024

In July, the IPA released their Q2 2024 Bellwether report, which reported that marketing budgets for the quarter reached their highest level in over a decade, with upwards revisions across all assessed categories.

Despite the second-highest revision to budgets in the report’s 25-year history, ExchangeWire Digest readers were not highly optimistic as to the prospect of further budget increases, with only 42% predicting upward revisions.

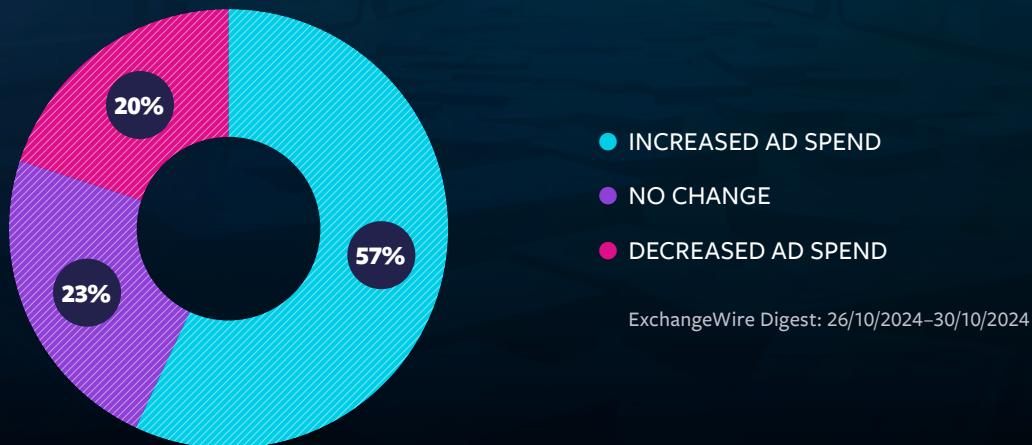
Figure 1: Ad spend expectations — post Q2 2024



Black Friday ad spend

While overall ad spend was not forecast to increase, respondents did reveal that they are planning to increase their budgets around specific events. Following on from the H1 finding that 61% of those surveyed were increasing their budget around the year’s key sporting events, 57% of respondents noted in October that they were increasing their ad spend around Black Friday. Moreover, only one-fifth (20%) reported that they were decreasing their spend around this key date in the shopping calendar.

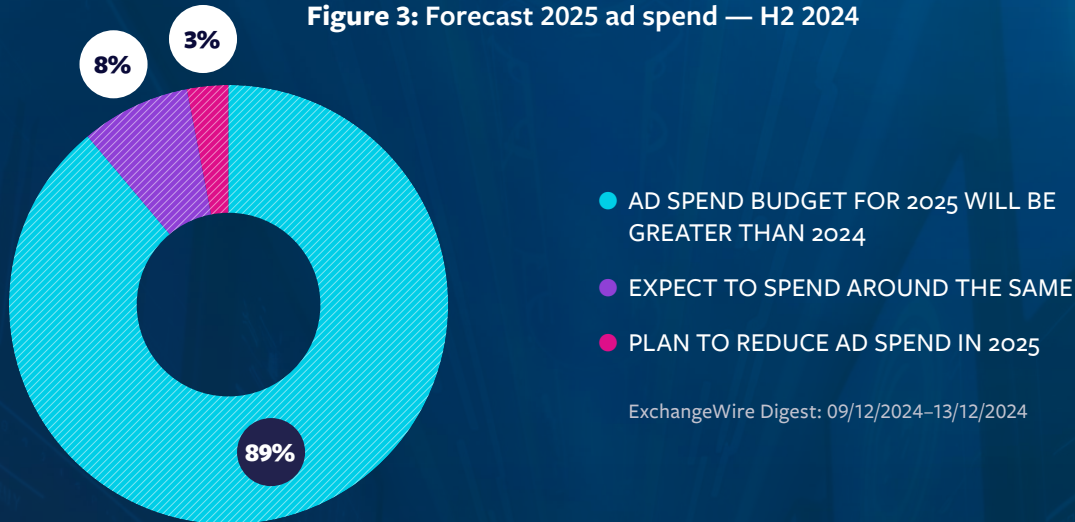
Figure 2: Change in ad spend in run-up to Black Friday — H2 2024



Forecast 2025 ad spend

By the close of the year, pessimism around potential growth in advertising budgets (see “ad spend expectations — post Q2 2024”) had reversed dramatically. Almost 90% of respondents reported in December that they, or their clients, were planning to increase their ad spend through 2025, while only 3% reported that they were planning to decrease their advertising budgets.

Figure 3: Forecast 2025 ad spend — H2 2024

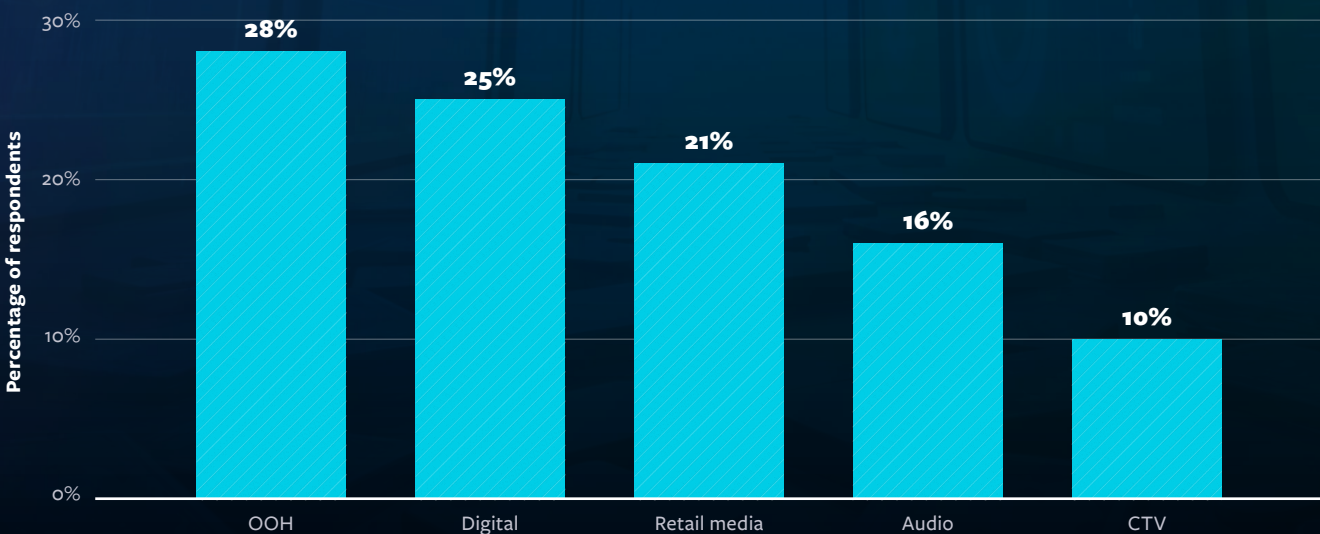


Most important ad spend channel for 2025

Out-of-home (OOH) advertising was deemed as the most important channel for the upcoming year, with 28% of respondents stating that it was the most critical channel for their advertising budgets for 2025. This was closely followed by digital (25%) and retail media (21%). Surprisingly, CTV was deemed the least important channel for advertising spend for the upcoming year, with only 10% stating that it was the most important channel for them, or their clients.

Figure 4: Most important ad spend channel for 2025

ExchangeWire Digest: 02/12/2024–06/12/2024



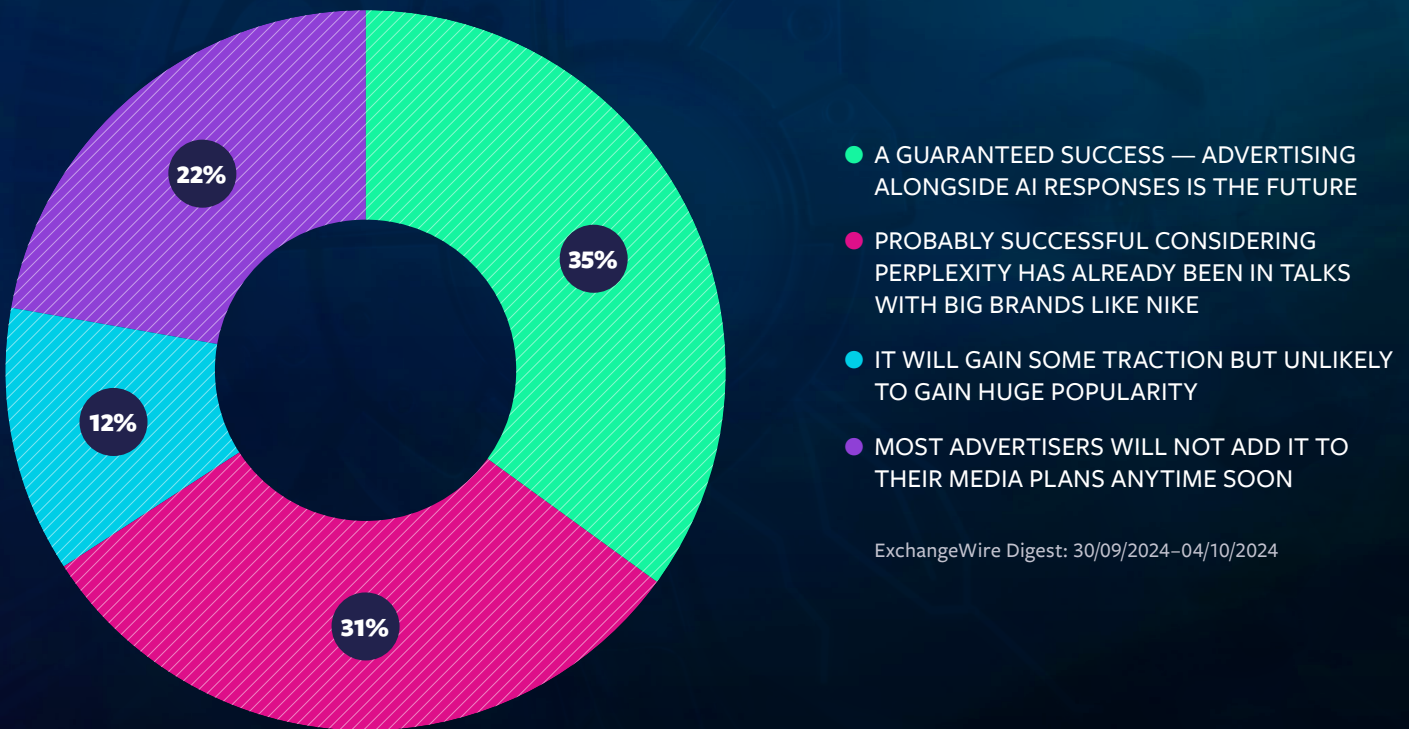
AI



Predicted success of Perplexity AI’s advertising model

Following news that generative AI search engine Perplexity AI was in discussion with multiple bluechip brands, including Marriott and Nike, over sponsored advertising placements within its platform, ExchangeWire readers were bullish as to the prospective success of the model. Over one-third (35%) of respondents believed that the new platform would be a “guaranteed” success, while a further 31% stated that it would likely be a successful endeavour.

Figure 5: Predicted success of Perplexity AI’s advertising model — H2 2024



ExchangeWire Digest: 30/09/2024–04/10/2024

35% of respondents believed that the new platform would be a “guaranteed” success

31% stated that it would likely be a successful endeavour

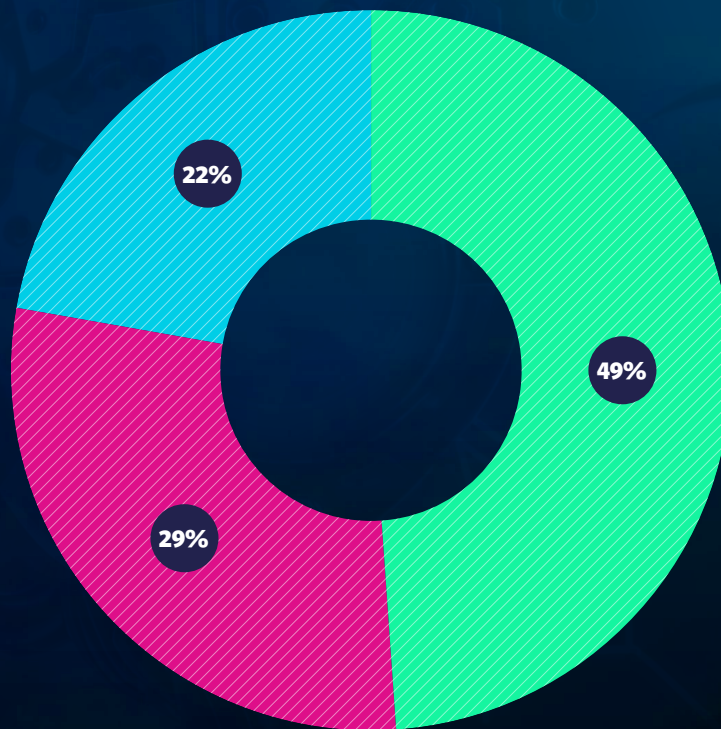
Impact of Performance Max updates

While almost half (49%) of respondents did not have issues with Google’s Performance Max, those that did were fairly evenly split in terms of their reaction to updates to the AI-powered solution, which were announced by the big tech firm in August.

The updates were ostensibly designed to increase advertiser control and transparency as to where their ads were placed within the Google ecosystem. A total of 29% of those polled stated that the updates would help to tackle the main issues with the platform, while a further 22% claimed that further improvements were necessary for these campaigns.

Figure 6: Impact of Performance Max updates — H2 2024

ExchangeWire Digest: 05/08/2024–09/08/2024



DID NOT HAVE COMPLAINTS BEFORE THE UPDATES WERE MADE

UPDATES WILL HELP TACKLE MAIN ISSUES

MORE UPDATES ARE NEEDED

49%

of respondents did not have issues with Google’s Performance Max

22%

of respondents claimed that further improvements were necessary for these campaigns

CTV



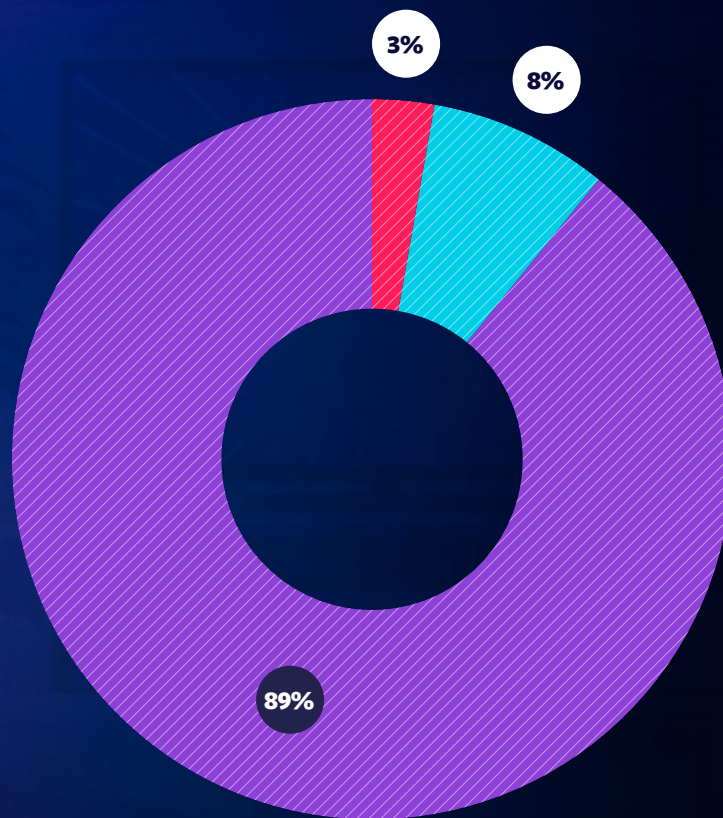
Fragmentation of CTV market

In one of the more oddball stories of 2024, US fast-food chain Chick-fil-A announced in August that it would launch its own family-friendly streaming platform, which duly launched in November.

In response to the surprise entrance of a firm best known for fried chicken sandwiches — and despite the earlier finding that only one-tenth of those surveyed deemed CTV to be the most important channel for their advertising efforts in the year ahead (see “most important ad spend channel for 2025”) — an overwhelming majority (89%) of respondents stated that they believe the CTV market is not becoming too fragmented, while only 3% stated that it is becoming too fragmented.

Figure 7: Fragmentation of CTV market — H2 2024

ExchangeWire Digest: 26/08/2024–30/08/2024



CTV IS BECOMING TOO FRAGMENTED

NOT SURE

CTV IS NOT BECOMING TOO FRAGMENTED

89% of respondents stated that they believe the CTV market is not becoming too fragmented

3% of respondents stated that it is becoming too fragmented

DOOH

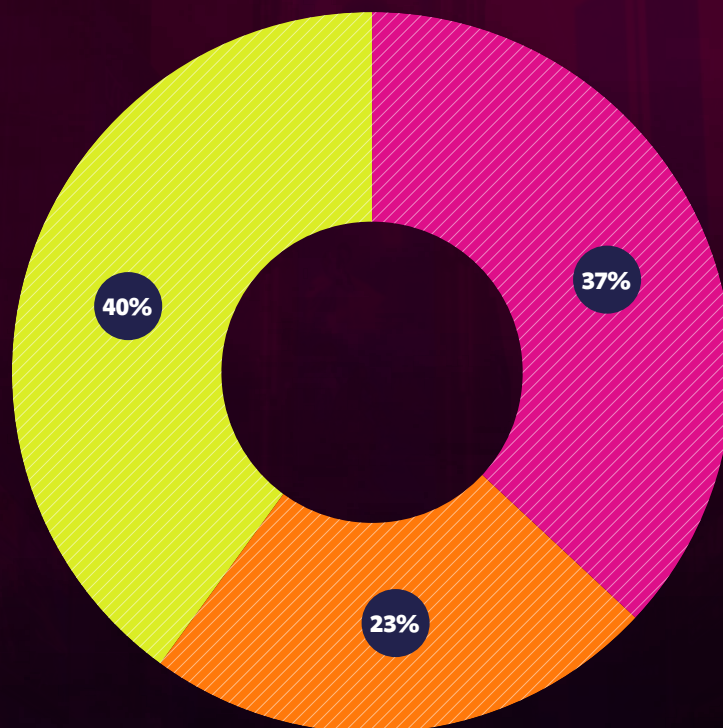


Importance of pDOOH when planning ad spend / developing campaigns

Coupled with the earlier finding that out-of-home (OOH) advertising was forecast to be the most-important channel for ad spend in 2025 (see “*most important ad spend channel for 2025*”), programmatic digital out-of-home (pDOOH) was similarly deemed to be a critical component within the marketing mix. Six-in-ten respondents stated that pDOOH was important within the overall media mix, while over one-third (37%) stated that it is essential.

Figure 8: Importance of pDOOH when planning ad spend / developing campaigns — H2 2024

ExchangeWire Digest: 07/10/2024–11/10/2024



●
ESSENTIAL TO THE MEDIA MIX

●
FAIRLY IMPORTANT

●
QUITE LOW DOWN THE PRIORITIES LIST

60%

of respondents stated that pDOOH was important within the overall media mix

37%

of respondents stated that pDOOH was essential

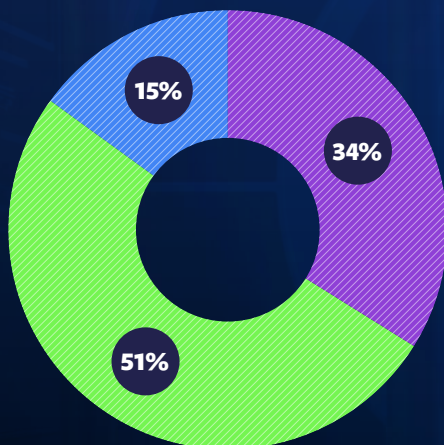
Google



Expectation of forced asset divestment by Google (pre-DOJ ad tech trial)

Prior to the commencement of the eagerly-anticipated US Department of Justice (DOJ) trial examining potential anticompetitive actions by Google within its ad tech business, ExchangeWire readers were generally uncertain whether the trial would result in Google having to divest of parts of its stack. Over half (51%) stated they were unsure, however over one-third (34%) believed that the trial would result in Google having to spin off some of its assets, over double the proportion that stated that the big tech giant would not be forced to sell off parts of its business.

Figure 9: Expectation of forced asset divestment by Google (pre-DOJ trial) — H2 2024



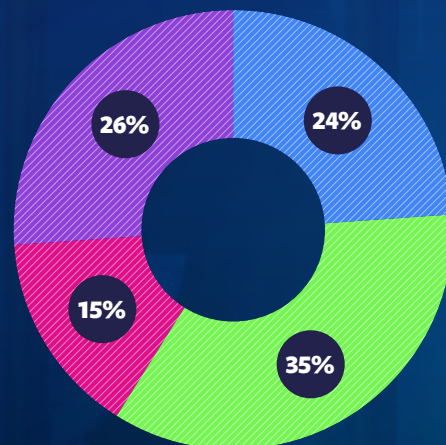
- YES, I EXPECT TO SEE PARTS OF GOOGLE SPUN-OFF
- POSSIBLY — I'M NOT SURE YET
- NO — GOOGLE WON'T BE SPINNING-OFF ANY ASSETS

ExchangeWire Digest: 29/07/2024–02/08/2024

Expectation of forced asset divestment by Google (during DOJ ad tech trial)

However, despite this earlier uncertainty (see above), following a tepid early trial performance by Google's legal team, and the landmark ruling in a separate case covering Google's search business deeming that the company is "a monopolist", a breakup of its ad tech stack is more likely than not according to those surveyed. Only 24% stated that Google would end up retaining its entire business, while 26% stated that a breakup mandated by US district judge Leonie Brinkema is "inevitable". Meanwhile, over one-third (35%) of respondents stated that, following the arguments in court, Google will pre-emptively split its business in some form to avoid more punitive action.

Figure 10: Expectation of forced asset divestment by Google (pre-DOJ trial) — H2 2024



- GOOGLE WILL FIND A WAY TO AVOID BREAKING UP ITS EMPIRE
- GOOGLE WILL ANNOUNCE ITS OWN BREAKUP TO DO IT ON THEIR TERMS BEFORE THE COURT CAN FORCE IT
- SOME TYPE OF BREAKUP FORCED BY JUDGE BRINKEMA IS LIKELY
- BREAKUP FORCED BY JUDGE BRINKEMA IS INEVITABLE, WE'LL SEE ONE OR MORE PARTS OF THE COMPANY SPUN OFF

ExchangeWire Digest: 16/09/2024–20/09/2024

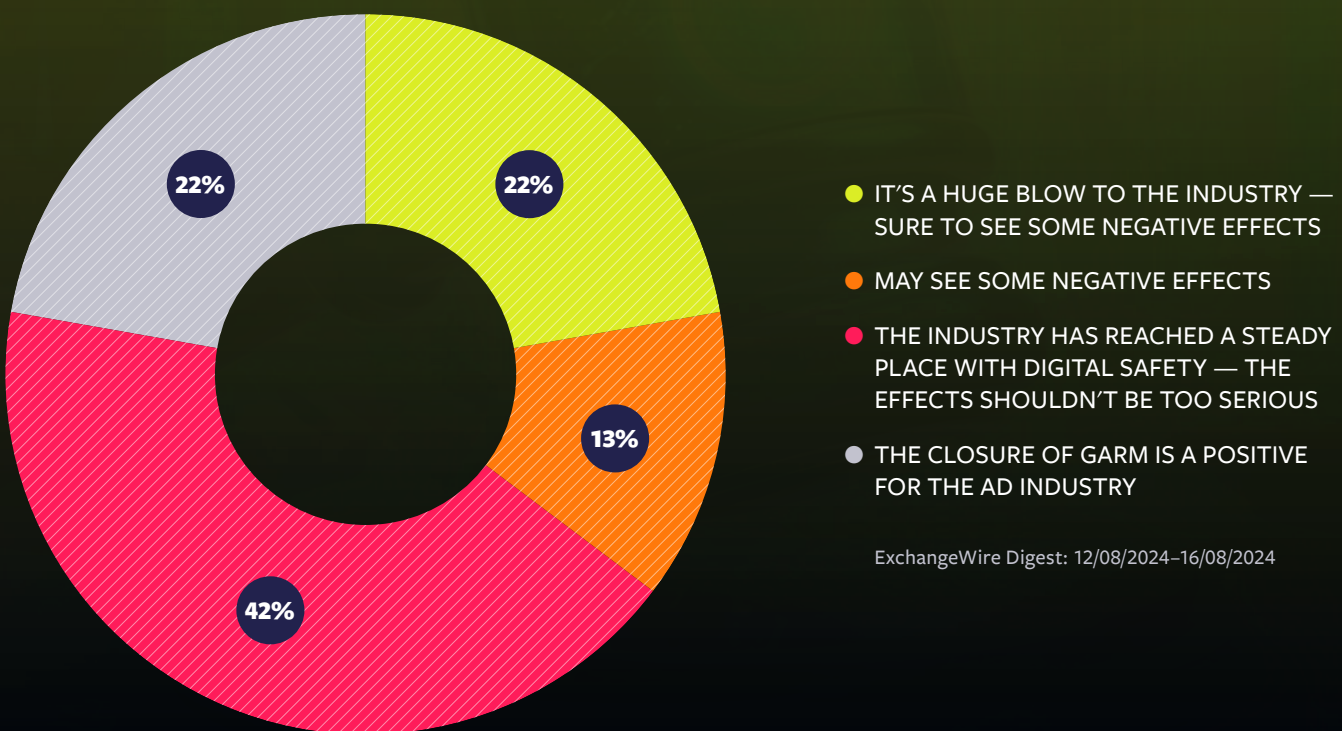
Legal and regulation



Impact of GARM’s disbandment on the ad industry

August saw the dramatic closure of the Global Alliance for Responsible Media (GARM), a voluntary cross-industry initiative promoting digital brand safety, following a lawsuit filed by Elon Musk-owned X. Perhaps reflective of the contentious nature of brand safety controls, which by some are deemed essential and others stifling, the closure evenly split the ExchangeWire audience. An equal proportion (22%) stated that the closure would have a severely negative impact on the industry, as those who believed that the shuttering of GARM was actually a positive.

Figure 11: Impact of GARM’s disbandment on the ad industry — H2 2024



ExchangeWire Digest: 12/08/2024–16/08/2024

22% of respondents stated that the closure would have a severely negative impact on the industry

22% of respondents believed that the shuttering of GARM was actually a positive

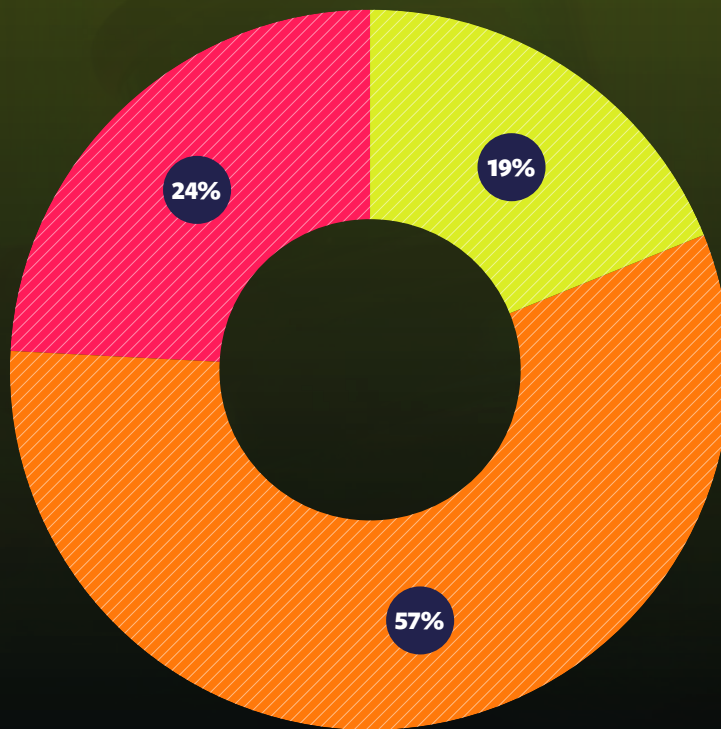
Predicted success of AltStore

After entering into effect in 2023, the European Union’s Digital Markets Act (DMA) had dramatic ramifications in 2024, when third-party app store AltStore, alongside video games platform Epic Games Store, launched on Apple iOS across Europe.

Previously, Apple had prevented third-parties from distributing apps outside of its in-house App Store, however was forced to do so having been designated a “gatekeeper” subject to the DMA in September 2023. Generally however, ExchangeWire readers generally did not believe that the AltStore would have a sizable impact on the popularity of Apple’s own App Store, with only 19% claiming that people would flock to the alternative en masse.

Figure 12: Predicted success of AltStore — H2 2024

ExchangeWire Digest: 19/08/2024–23/08/2024



MANY PEOPLE WILL FLOCK TO THIS ALTERNATIVE

ALTHOUGH A SIGNIFICANT MOVE AGAINST APPLE, WE ARE UNLIKELY TO SEE THE ALTSTORE HAVE MUCH SUCCESS ON IOS

APPLE'S DOMINANCE REMAINS LARGELY UNCHANGED

19%

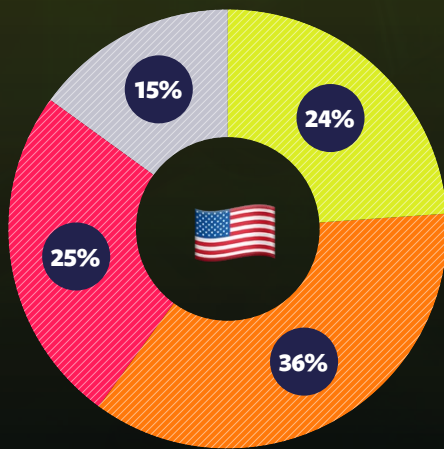
of respondents claiming that people would flock to the alternative en masse

Social media regulation

Predicted impact of FTC report on social media regulation

In September, the US Federal Trade Commission (FTC) [released a report](#) denouncing how social media and video streaming companies both gather and utilise user data. Claiming the practices amounted to the firms operating a “vast surveillance” programme, the report called on Congress to increase the power of data protection policies. Despite these conclusions, only 15% of polled respondents believe that the US Congress would introduce stricter regulations which impact all civilians, though one-quarter (25%) of those surveyed stated that Congress is likely to introduce further protections for children.

Figure 13: Predicted impact of FTC report on social media regulation — H2 2024



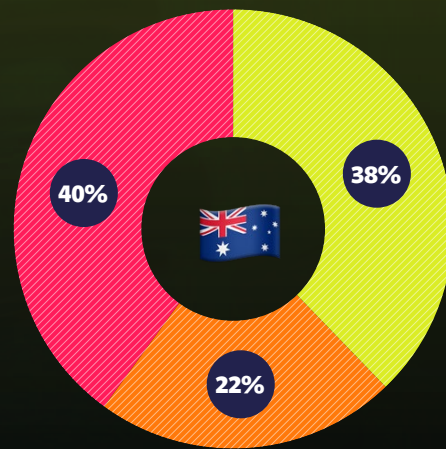
- WE'RE UNLIKELY TO SEE CONGRESS INTRODUCE FURTHER REGULATIONS AT THE MOMENT
- CONGRESS MAY BE INFLUENCED BY THE REPORT; WE COULD SEE SOME REGULATORY CHANGES INTRODUCED IN THE FUTURE
- CONGRESS WILL INTRODUCE FURTHER REGULATIONS WHICH FOCUS ON SAFEGUARDING MINORS SPECIFICALLY
- CONGRESS WILL INTRODUCE STRICTER REGULATIONS THAT IMPACT ALL US CITIZENS

ExchangeWire Digest: 23/09/2024–27/09/2024

Desire for social media ban for under-16s

As part of a bonanza of end-of-year legislation, the Australian government announced, and subsequently passed, legislation to introduce a minimum age limit of 16 for access to social media platforms. The ban, which covers Snapchat, TikTok, Facebook, Instagram, and X, is not expected to come into effect for at least the next 12 months. Other countries reported to be following Australia's lead include Singapore and Norway. On whether those under 16 should be banned from using social media, the ExchangeWire audience was neatly divided. Two-in-five respondents (40%) of those polled stated that they believed the measures to be excessive, while 38% claimed the measures are a welcomed safeguard.

Figure 14: Desire for social media ban for under-16s — H2 2024



- DESIRED — IT WOULD BE A WELCOMED SAFEGUARD
- NOT SURE/DO NOT WISH TO DISCLOSE
- NOT DESIRED — IT IS AN EXCESSIVE MEASURE

ExchangeWire Digest: 18/11/2024–22/11/2024

Measurement



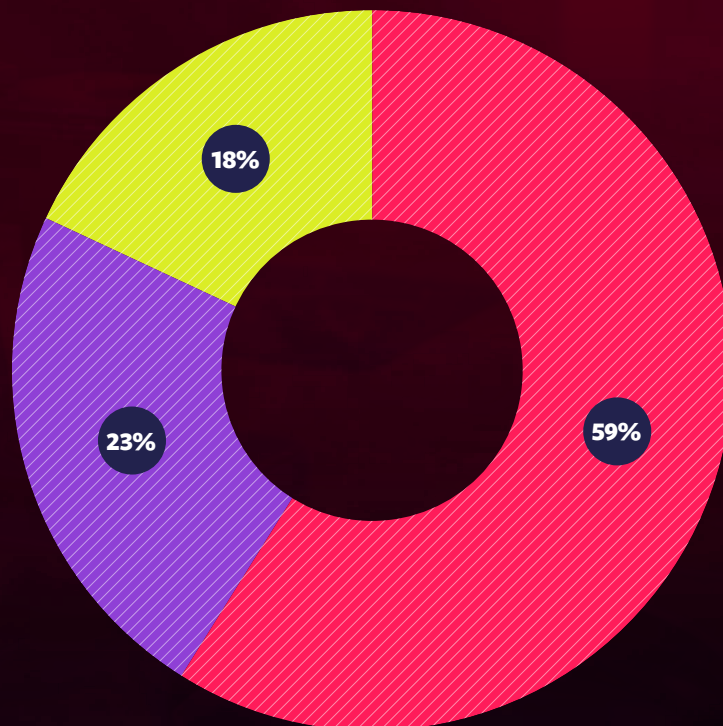
Confidence with ad measurement

In our final poll of the year, we assessed whether media and marketing professionals were becoming more confident in their advertising measurement, or whether challenges were preventing accurate assessment of their campaign performance.

Positively, almost 60% of respondents are highly confident with measuring their advertising campaigns, claiming previous challenges have eased. However, nearly one-fifth of those surveyed are still encountering significant challenges with accurately measuring their campaign performance.

Figure 15: Confidence with ad measurement — H2 2024

ExchangeWire Digest: 16/12/2024–20/12/2024



HIGHLY CONFIDENT — MEASUREMENT HAS BECOME A LOT EASIER

MODERATELY CONFIDENT — THERE ARE STILL CHALLENGES

LESS CONFIDENT — AS TIME GOES ON WE ENCOUNTER BIGGER CHALLENGES

59% are highly confident with measuring their advertising campaigns

Sustainability



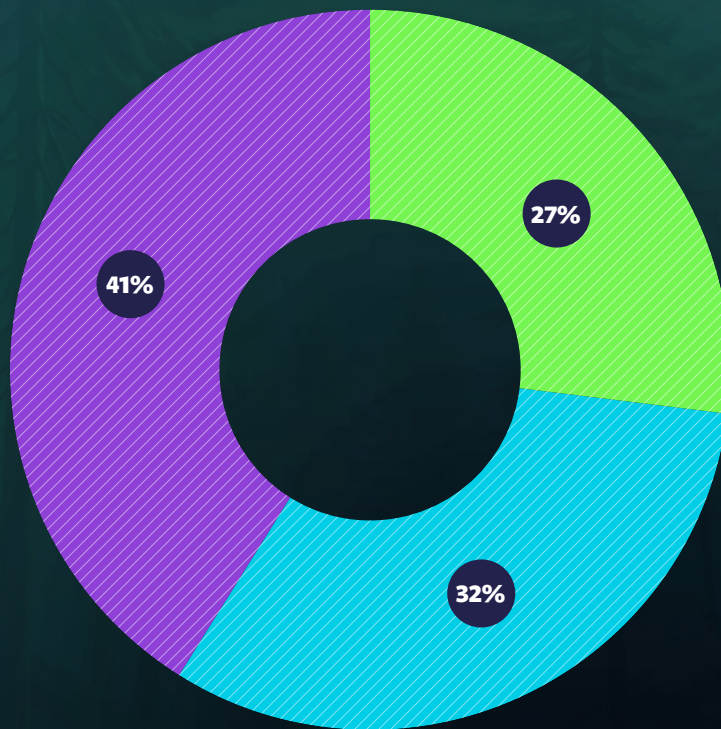
Implementation of Ad Net Zero Global Media Sustainability Framework

Following the publication of the first iteration of Ad Net Zero's Global Media Sustainability Framework, encouragingly the majority of respondents (59%) stated that they were either already using the framework to measure their carbon emissions, or were planning to do so.

Given that the framework is supported by a host of industry bodies (eg 4A's, The Advertising Association, IAB); major agencies (eg dentsu, Havas, WPP), and technology vendors (eg Google, Meta, PubMatic), more work needs to be done to encourage the 41% of those polled to adopt the framework to ensure it meets its goals of enhancing transparency, consistency, and accuracy around the impact of digital advertising on the environment.

Figure 16: Implementation of Ad Net Zero Global Media Sustainability Framework — H2 2024

ExchangeWire Digest: 08/07/2024–12/07/2024



ALREADY USING THE FRAMEWORK

NOT YET USING THE FRAMEWORK, BUT PLAN TO

NO PLANS TO MEASURE EMISSIONS USING THE FRAMEWORK

59%

of respondents stated that they were either already using the framework to measure their carbon emissions

41%

of respondents have no plans to measure emissions using the framework



About ExchangeWire

ExchangeWire provides news and analysis on the business of media, marketing and commerce with a specific focus on data and technology.

We offer actionable market intelligence on the trends and innovations that are shaping the media, marketing and commerce industries.

We're always interested in any technology and business-related news globally, and in particular across EMEA and APAC. Relevant companies are encouraged to get in touch. We're also interested in hearing from PR people working with companies in any of the areas named above.

For more information, please visit www.exchangewire.com