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U.S. Local Advertising Forecast

Rick Ducey
Managing Director
BIA Advisory Services

Panel 1: TV Advertising – The Nuts and Bolts of Broadcast and Cable
Public Workshop on Competition in TV and Digital Advertising
U.S. Department of Justice

May 2-3, 2019
Washington, DC

About BIA Advisory Services

Providing local media market intelligence to business and government since 1983.



H E A R S T



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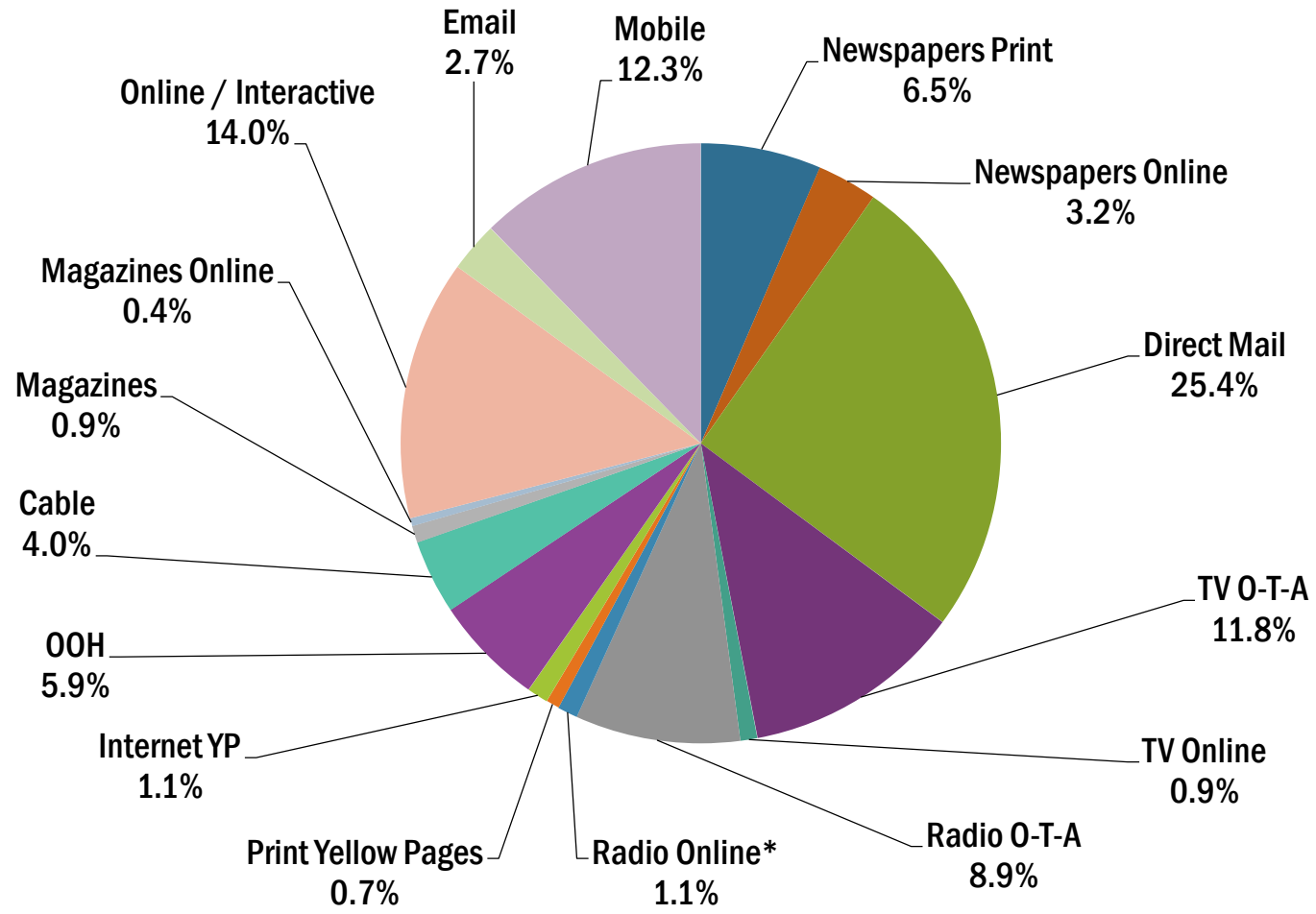


THE UNITED STATES
DEPARTMENT of JUSTICE



Total U.S. Ad Spending Targeting Local Audiences

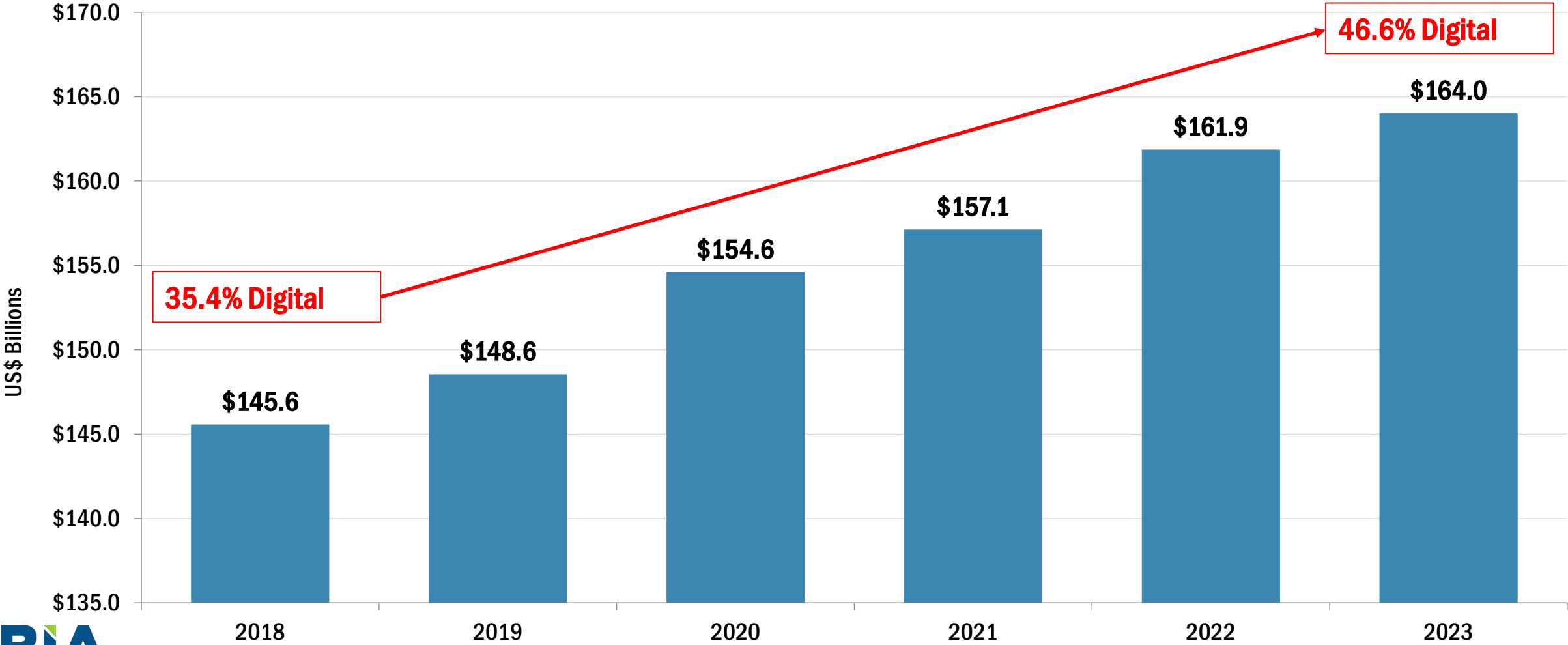
2019 U.S. Local Media Revenues – \$145.8 Billion



Source: BIA Advisory Services
*Radio online revenue include online revenue from terrestrial and online streaming services.
Note: Numbers are rounded.

Local Advertising: 5-Year Forecast: From \$145.6B to \$164.0B

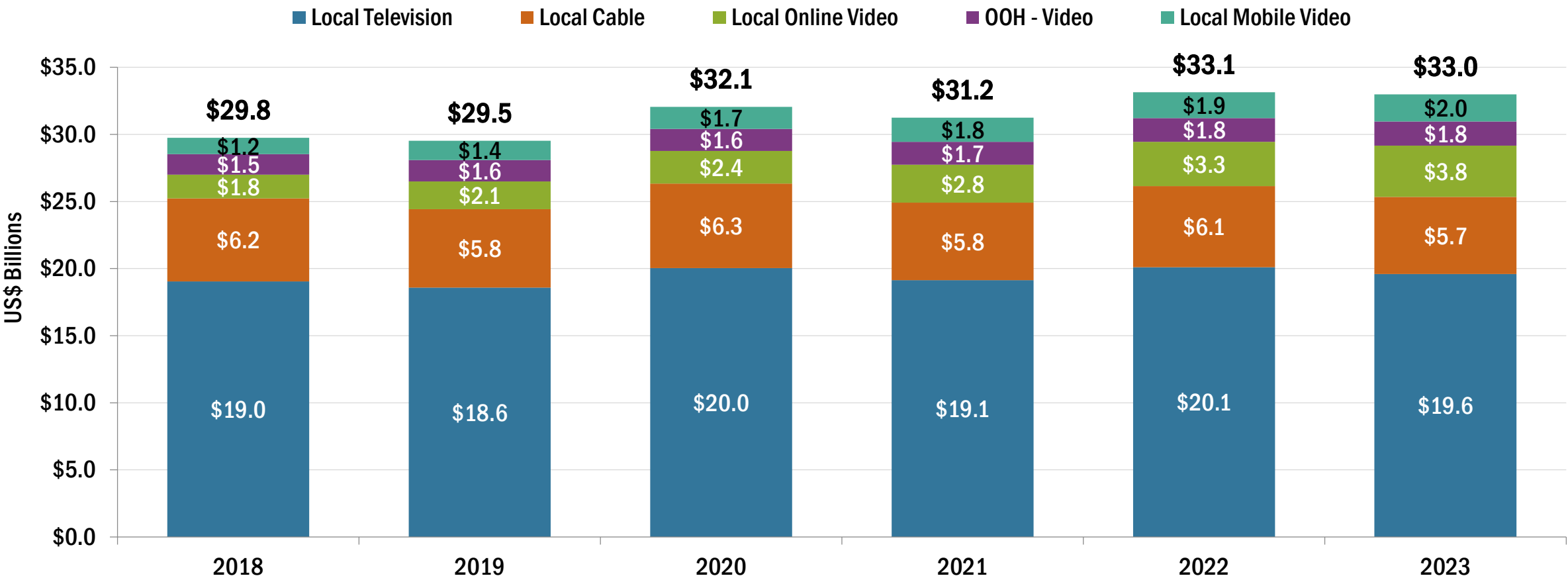
Digital approaching half of total local ad spend in the U.S. by 2023



Source: BIA Advisory Services
Note: Numbers are rounded.

Total U.S. Local Video Ad Spending

Local TV/Cable is foundational, but growth concentrated in digital video.



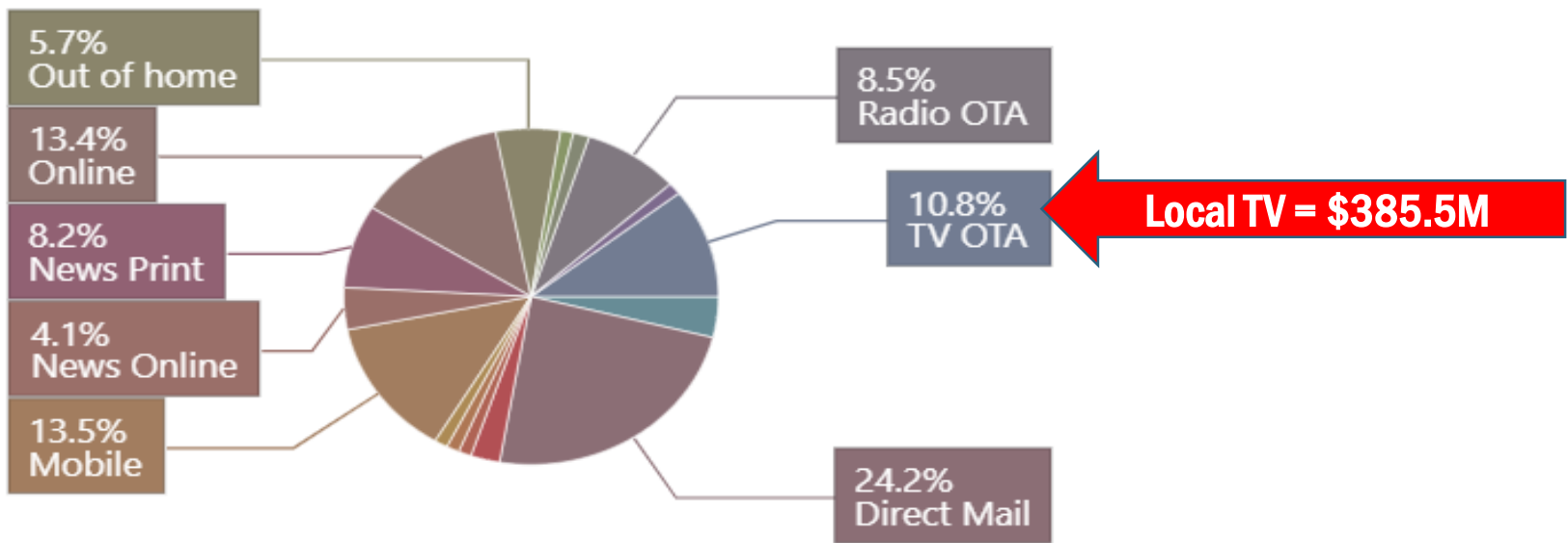
Source: BIA Advisory Services
Note: Numbers are rounded.

Washington, DC TV Market: \$3.6B Across 16 Media Platforms



Media Ad Spending: \$3.6 Billion
TV Market: Washington, DC

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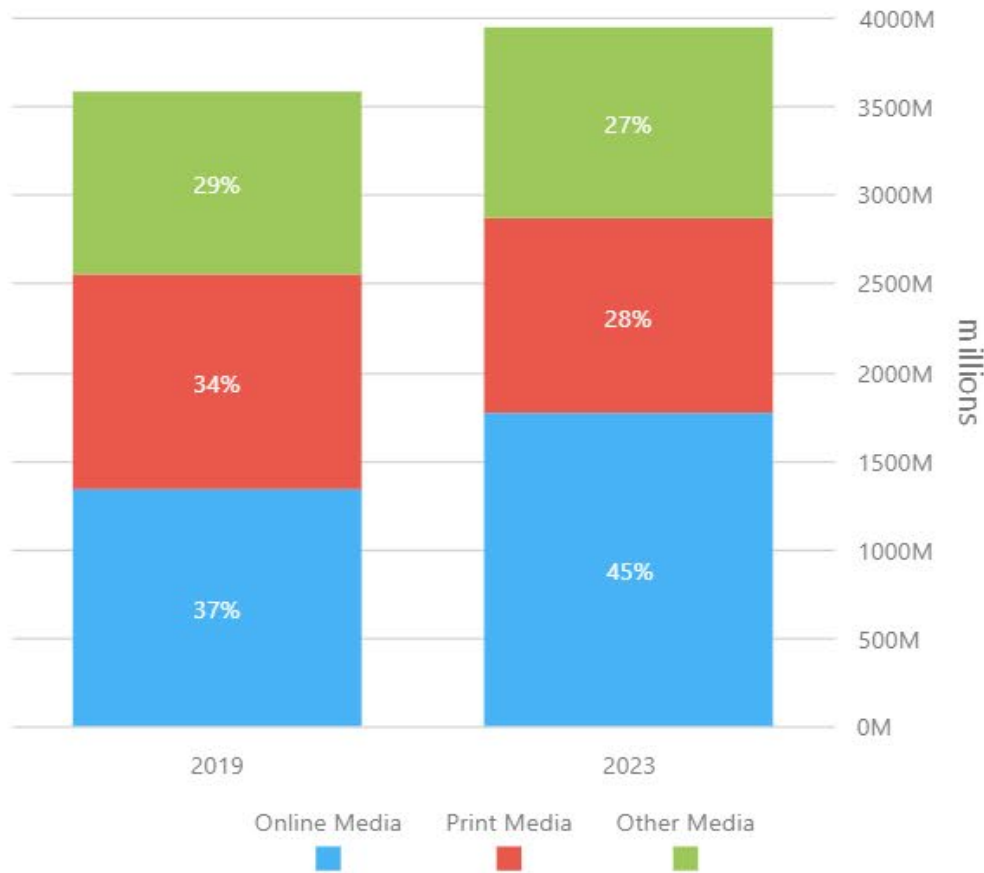


- Cable TV (4.0%)
- Direct Mail (24.2%)
- Email (2.6%)
- Internet YP (1.1%)
- Mags Online (0.4%)
- Mags Print (0.8%)
- Mobile (13.5%)
- News Online (4.1%)
- News Print (8.2%)
- Online (13.4%)
- Out of home (5.7%)
- Print YP (0.7%)
- Radio Online (1.4%)
- Radio OTA (8.5%)
- TV Online (0.8%)
- TV OTA (10.8%)

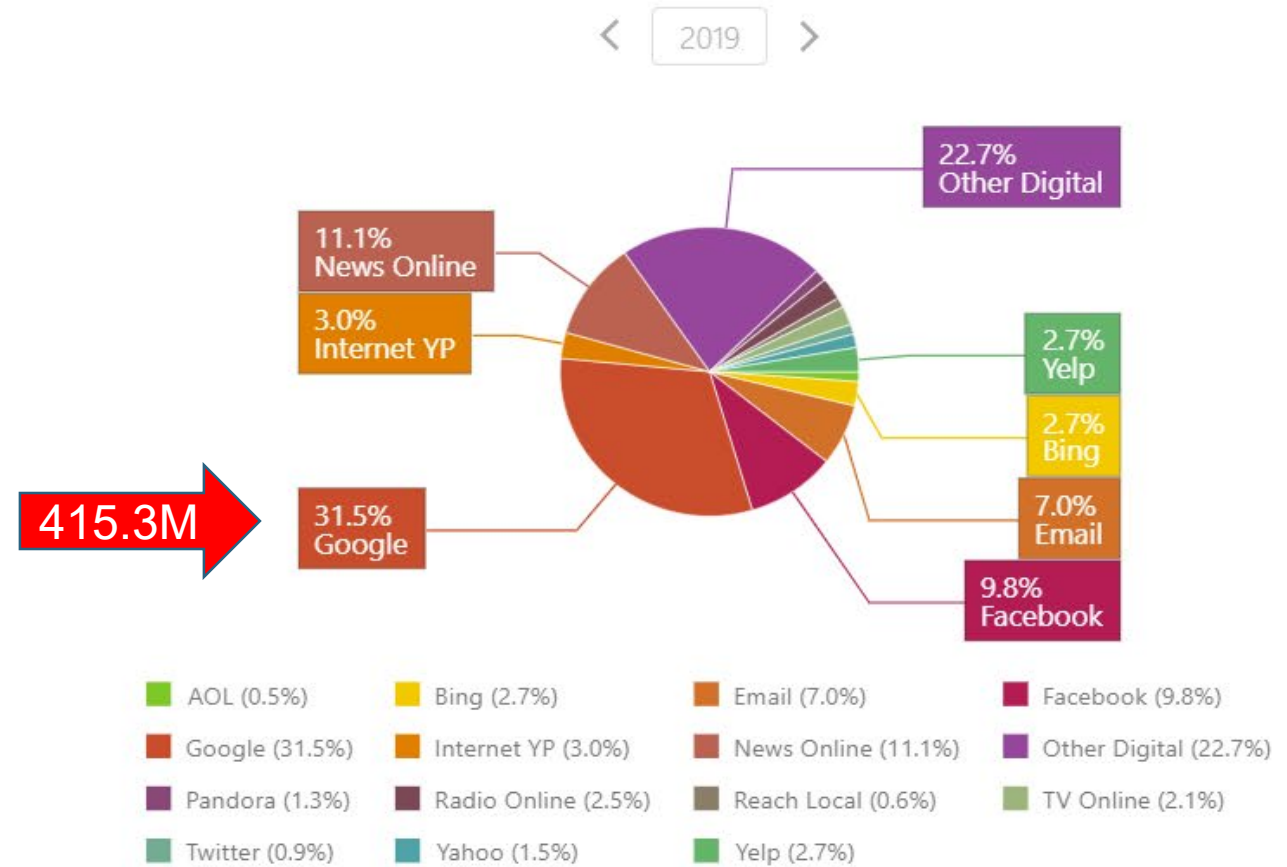
Washington, DC: \$1.3B in Digital Spend, Google Alone Beats TV



Local Forecast by Media Type
TV Market: Washington, DC

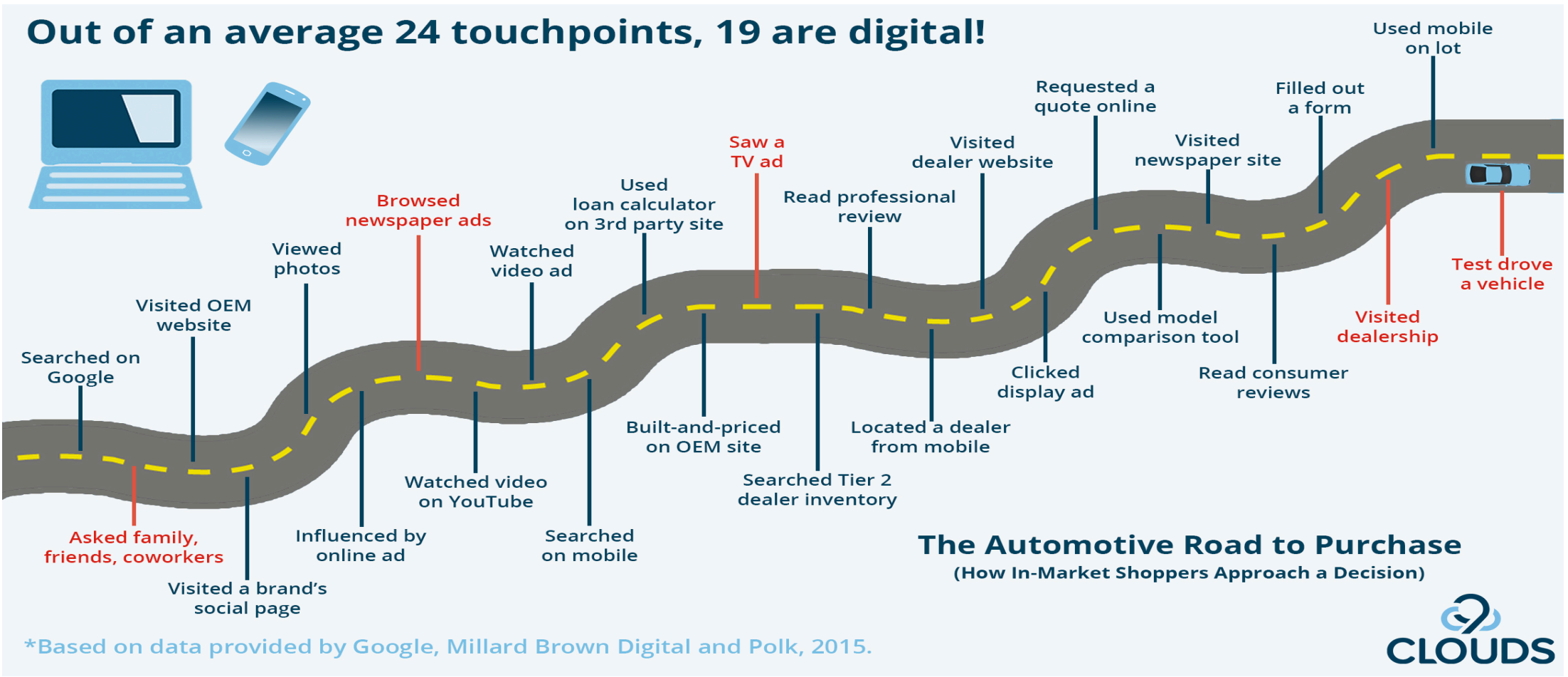


Digital Ad Spending: \$1.3 Billion
TV Market: Washington, DC



Case Study: Automotive “Road to Purchase”

Multiple media channels compete for ad spending throughout the purchase journey.

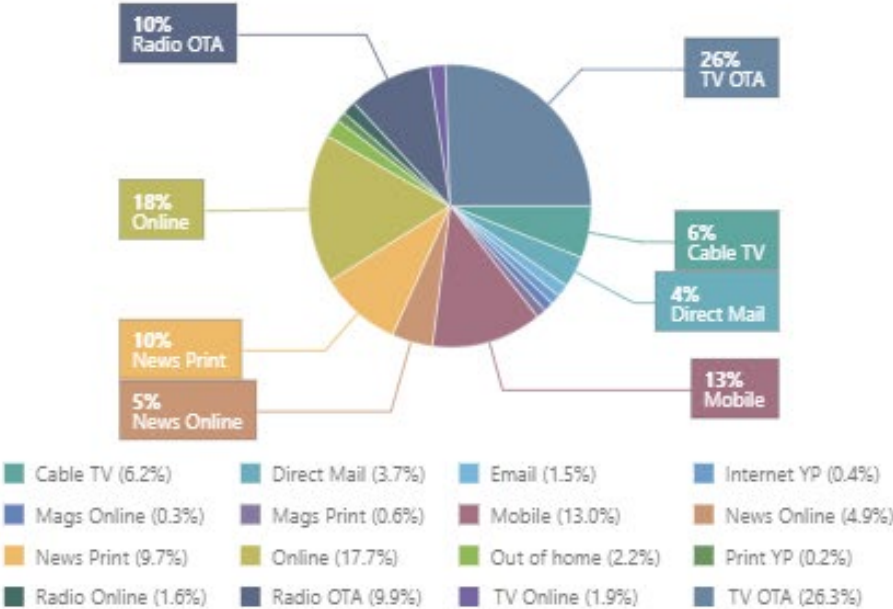


Media Ad Allocations for Auto Dealers and Manufacturers

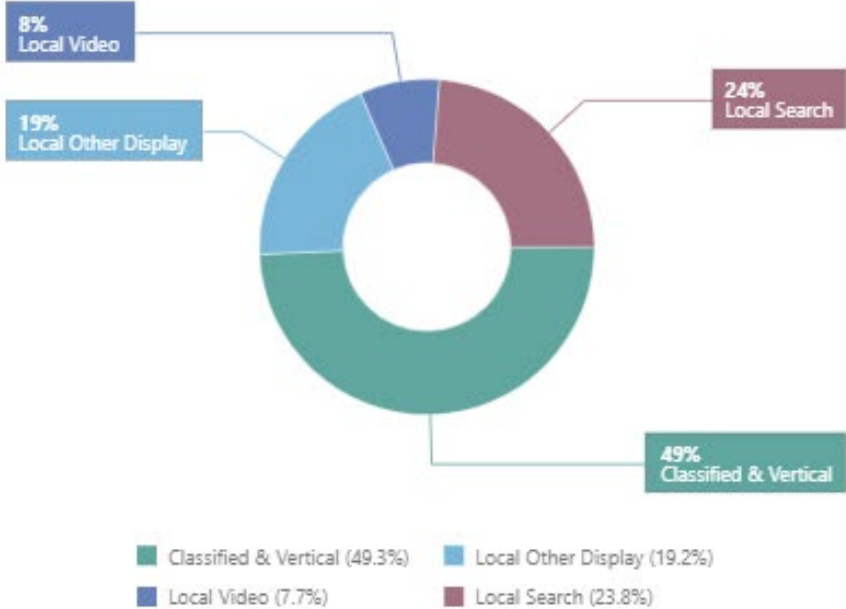
Over 40% of Auto dealer/manufacturer ad dollars are digital in Washington, DC.



2019 Automobile Dealers & Automotive Mnfrs. : \$292,477 (000)s
TV Market: Washington, DC



2019 Online Spending by Ad Platform: \$79,273 (000)s
TV Market: Washington, DC



BIA Forecast Take-Aways

- 1. TV/Cable is foundational in mix.**
- 2. Growth concentrated in digital video.**
- 3. Local media competing for “share of wallet” across channels.**



Rick Ducey is managing director, BIA Advisory Service. He leads the strategy consulting practice and serves as an advisor to an affiliated investment banking group, BIA Capital Strategies.

Questions & Comments:

Rick Ducey

Managing Director, BIA Advisory Services

rducey@bia.com | www.bia.com

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