

Economy • I302

Total advertising expenditure



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About

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Performance

Performance Snapshot

Estimated Value in 2026

\$358.9 billion

2021-26 CAGR ↑ 1.2 %

2025-26 Change ↑ 1.0 %

Forecast Value in 2031

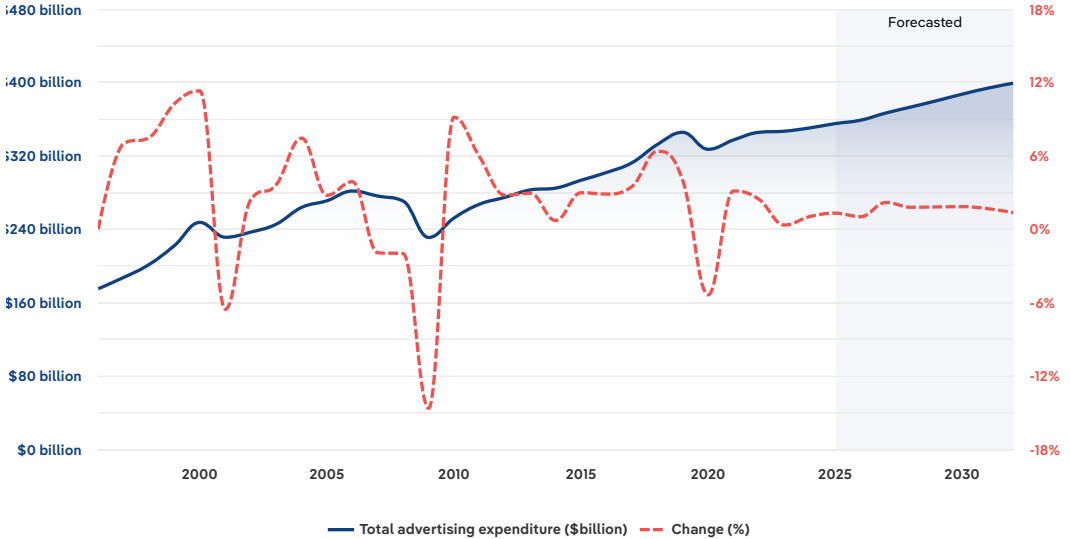
\$393.8 billion

2026-31 CAGR ↑ 1.9 %

2026-27 Change ↑ 2.2 %

Total advertising expenditure

1996-2032



Year	\$ billion	Change (%)
1996	175.2	N/A
1997	187.5	7.0
1998	201.6	7.5
1999	222.3	10.3
2000	247.5	11.3
2001	231.3	-6.5
2002	236.9	2.4
2003	245.5	3.6
2004	263.8	7.5
2005	271.1	2.8

Year	\$ billion	Change (%)
2006	281.7	3.9
2007	276.2	-1.9
2008	270.7	-2.0
2009	231.1	-14.6
2010	252.3	9.2
2011	267.3	5.9
2012	274.8	2.8
2013	282.9	2.9
2014	284.9	0.7
2015	293.5	3.0
2016	301.9	2.9
2017	312.5	3.5
2018	332.4	6.4
2019	345.7	4.0
2020	327.2	-5.4
2021	337.4	3.1
2022	345.7	2.5
2023	346.9	0.4
2024	350.5	1.0
2025	355.2	1.3
2026	358.9	1.0
2027	366.8	2.2
2028	373.4	1.8
2029	380.2	1.8
2030	387.3	1.9
2031	393.8	1.7
2032	399.2	1.4

Total advertising expenditure represents the sum of measured US advertising expenditure and an estimate of unobserved US advertising expenditure, such as direct mail, sales promotions, catalogs and business publications. Data is sourced from Advertising Age.

Current Performance

Total advertising expenditure is estimated to reach \$358.9 billion in 2026, representing an annualized 1.2% rise since 2021. Growth in the current year has remained modest, primarily due to persistent economic headwinds. Corporate advertising budgets have remained constrained after several years of elevated inflation and sustained high interest rates, both of which have limited consumer spending and, by extension, companies' willingness to invest in advertising. The gradual stabilization of the broader economy has contributed to continued, but subdued, growth in advertising expenditure, as businesses remain cautious in their approach to marketing outlays.

The US's annual advertising expenditure increased at an average annualized rate of 1.2% from 2021 to 2026. Advertising spending saw solid growth at the onset of the current period as economic activity resumed following the pandemic and consumer confidence improved, bolstering profit. However, as inflation accelerated and central banks responded with interest rate hikes, consumer spending slowed, slowing growth in

advertising budgets in 2023. Elevated borrowing costs and reduced discretionary spending contributed to increased caution among corporate decision-makers, reinforcing limits on major marketing activities. The US's advertising expenditure saw steadier growth in 2024 and 2025 as inflation waned and businesses adapted to the changing environment. However, slowed new business openings have led to easing competition and alleviated some pressure to allocate resources to marketing. This atmosphere is set to persist through 2026, bringing modest growth of 1.0% year over year.

Shifts in advertising allocation also continued to reshape the market: declining expenditure on traditional channels such as print, newspapers, and network television was offset by rising internet ad spending, reflecting businesses' preference for data-driven targeting and cost effectiveness offered by digital platforms rather than traditional media. Audience fragmentation, particularly in television, challenged advertisers seeking large, unified audiences, leading to further shifts toward digital and streaming media. Overall, macroeconomic challenges such as inflation, high interest rates, and shifting consumer habits have played a notable role in influencing advertising expenditure during this five-year period.

Outlook

Total advertising expenditure is forecast to climb by 2.2% in 2027 to reach \$366.8 billion, marking stronger growth than in recent years. Businesses are expected to shift from defensive cost management strategies toward expansion and customer acquisition initiatives, promoting advertising expenditures. Rising consumer spending will help fuel businesses' budgets and profit, allowing them to allocate funds toward marketing.

Internet advertising is expected to dramatically outpace traditional media due to long-term shifts in consumer media consumption and continued fragmentation of audiences across platforms. The ongoing decline of the magazine and newspaper sectors is anticipated to persist, while TV ad spending may be tempered by further market fragmentation as consumers increasingly access video content on smartphones, tablets and streaming services. Key macroeconomic factors influencing the outlook include the pace of economic expansion, the trajectory of consumer confidence and spending, as well as ongoing digital transformation in media and advertising technology. As a result, overall advertising expenditure is forecast to reach \$393.8 billion in 2031, with growth shaped by economic conditions, evolving business strategies and continued advancements in digital advertising models.

Industries Affected

Code	Title	Product Type
OD5536	Casting Agencies in the US	Industry
32311b	Quick Printing in the US	Industry
54183	Media Buying Agencies in the US	Industry
51211b	Television Production in the US	Industry
71141	Celebrity & Sports Agents in the US	Industry
OD4247	Shaving Razor Manufacturing in the US	Industry
OD6193	Music Streaming Services in the US	Industry
OD5447	Online Event Ticket Sales in the US	Industry
51913a	Search Engines in the US	Industry
OD4577	Fantasy Sports Services in the US	Industry
OD5848	Marketing Consultants in the US	Industry
54187	Print Advertising Distribution in the US	Industry
71121b	Racing & Individual Sports in the US	Industry
54191	Market Research in the US	Industry
54192	Photography in the US	Industry
51219	Video Postproduction Services in the US	Industry
53311	Intellectual Property Licensing in the US	Industry
54184	Media Representative Firms in the US	Industry

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Code	Title	Product Type
33995	Billboard & Sign Manufacturing in the US	Industry
OD4756	Personal Finance & Money Management Software Developers in the US	Industry
51	Information in the US	Industry
OD4525	Web Domain Name Sales in the US	Industry
54186	Direct Mail Advertising in the US	Industry
OD5817	Smartphone App Developers in the US	Industry
54143	Graphic Designers in the US	Industry
56192	Trade Show & Event Planning in the US	Industry
OD5987	Internet Radio Broadcasting in the US	Industry
45112	Hobby & Toy Stores in the US	Industry
OD6365	Pet Photography Services in the US	Industry
OD5116	Online Video Downloads in the US	Industry
OD6550	Sign & Banner Shops in the US	Industry
OD5532	Retail Store Fixture Dealers in the US	Industry
51211a	Movie & Video Production in the US	Industry
OD5889	Digital Advertising Agencies in the US	Industry
54182	Public Relations Firms in the US	Industry
OD5416	Newswire Services in the US	Industry
54185	Billboard & Outdoor Advertising in the US	Industry
54189	Promotional Products in the US	Industry
OD4523	SEO & Internet Marketing Consultants in the US	Industry
54181	Advertising Agencies in the US	Industry
56142	Telemarketing & Call Centers in the US	Industry
51621	Media Streaming, Social Networks and Other Content Providers in the US	Industry
OD5795	Athletic Event Organizers in the US	Industry
51212	Movie & Video Distribution in the US	Industry
OD4211	Custom Screen Printing in the US	Industry
54	Professional, Scientific and Technical Services in the US	Industry
OD4559	Online Survey Software in the US	Industry
OD5449	Online Greeting Card Sales in the US	Industry
51224	Audio Production Studios in the US	Industry
OD4574	Social Networking Sites in the US	Industry
OD6197	Video Streaming Services in the US	Industry

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