

▶ U.S. LOCAL ADVERTISING FORECAST

\$151.2 BILLION

BIA/Kelsey's Predictions for 2018

BIA/Kelsey Forecasts U.S. Local Advertising Revenue to Increase 5.2 Percent in 2018 to \$151.2B; Largest Annual Increase in Five Years

Key Findings: TOP 3 MEDIA REVENUE & SHARE

DIRECT MAIL \$38.5B
25.4% SHARE

Direct mail preserves its lead position with a 25.4 percent (\$38.5 billion) slice of the local advertising pie. High response rates of around three to five percent, and a return on investment comparable to some digital media, combine to make DM appealing to advertisers.

LOCAL TV \$20.8B
13.8% SHARE

Local television continues as second media at 13.8 percent (\$20.8 billion). It will continue to be the largest player (more than 60 percent) in the local video advertising market. Revenue growth within the total local video advertising segment will come from local mobile video (growing to more than \$1 billion) and local online video (increasing to more than \$2 billion).

MOBILE \$19B
12.6% SHARE

Mobile will move into the third position, representing 12.6 percent of local advertising spend in 2018. This category will grow to 19.2 percent by 2022. Adoption of mobile local advertising tactics (e.g., geo-fencing, click-to-call and click-to-map) continues to grow among national advertisers that tend to gravitate toward effective, increasingly available and currently undervalued mobile local ad inventory.