



Quarterly Media Landscape Update

A closer look at media performance in 2023 – Q4 '23 & **2024 first look**

ebiquity

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Ebiquity is the world's leading expert consultancy focused exclusively on media and marketing. Advertisers need help in navigating the ever-more complex media and marketing ecosystem, and it is their needs that shape everything we do. Putting our clients first is at the heart of our end-to-end approach – to service, to product development, to recruitment, and to strategic investments. Our declared purpose is creating clarity for our clients.



ISBA is the only body representing leading UK advertisers. Speaking with one voice on behalf of over 3,000 brands, we champion an advertising environment that is transparent, responsible and accountable; one that can be trusted by the public, by advertisers and by legislators. Our network of senior marketing professionals works together with ISBA to help members make better decisions for the future.

Providing actionable recommendations to drive value to your business



Our independent, fact based advice is delivered through four **Service Lines**

Media Management

The right media models, objectives, operations and tech processes for your business

Media Performance

Greater transparency, governance, efficiency, and accountability of media investments

Marketing Effectiveness

Attribute, forecast and optimise investments to increase business outcomes and ROI

Contract Compliance

Ensure financial and service delivery compliance as contractually agreed. Returning value owed

Increase returns from your media investments and improve business outcomes



World leader

Our industry expertise and scale is unparalleled to help you drive growth



Maximise value

Actionable, fact-based recommendations create value and eliminate waste



Data expertise

Cutting edge technology provides you with timely, data-driven insights at scale

Creating a **better** media world, **together**

A view across 2023

And first sight of 2024

2023 viewpoint

- A Closer Look At Media Pricing Movement

TV

View of the market

Ad Revenue

2023 proved a difficult year for TV: revenue was down ~9% on 2022, with the ferocious competition for viewers among TV, video and streaming platforms compounded by wider economic pressures. We predict a flattening in 2024, down 1% overall. Major televised sports events (Euro '24, Olympics) should provide a welcome boost in Summer ad spend, but much will depend on the speed and resilience of the UK's economic recovery.

Pricing

After a deflationary '23, we forecast some increases to linear TV market pricing in 2024. Current predictions suggest audiences will fall at a faster rate than revenue, driving supply-led inflation. Whilst forecasted 2024 inflation is modest for All Adults, it is likely to be more significant for the younger demographics, reflecting their growing scarcity.

Audience

Total linear adult commercial viewing was down only 1% in 2023. As in recent years, the more considerable drop in younger viewers (16-34s down 10%) was offset by more robust viewing amongst older viewers (55+ year-olds up 3%).

But already in 2024, we've been reminded of the strength of TV. *Gladiators* has burst back onto our screens, delivering action, nostalgia and ratings aplenty. *The Traitors* has provided a steady supply of 'water cooler' moments, while the reaction to *Mr Bates vs the Post Office* has shown a good story's ability to transcend the realm of entertainment and effect real-world change. With the first two of those programmes on BBC, and over 16m streams of Mr Bates being served via ITVX, however, this strength will not necessarily translate to commercial linear impacts.

View on pricing

Our Observation (YoY)

All Adults

FY 2023	-8%
2024 (f)	+3%

ABC1 Ads

FY 2023	-3%
2024 (f)	+3%

16-34 ads

FY 2023	+2%
2024 (f)	+13%

2023 viewpoint

- A Closer Look At Media Pricing Movement

VoD

View of the market

BVOD ‘inflation’ is being driven primarily by advancements in targeting capabilities. Standard audience buys have not seen significant increases in 2023, but the proliferation of more sophisticated (and therefore more expensive) targeting strategies will continue to push up overall CPMs.

A recent Ebiquity/WFA global study (Media Budgets 2024) surveying 92 advertisers suggested that digital video and CTV channels will be the main beneficiaries of budget increases in 2024.

From a relatively low base, investment into CTV will grow particularly quickly, as programmatic targeting capabilities marry TV-quality content. As always with an emerging channel, there are challenges to be overcome; disparate suppliers and myriad trading routes will mean data quality, agency transparency and active client oversight will be key to driving positive return on investment.

View on pricing

Our Observation (YoY)

FY 2023	+4%
2024 (f)	+3%

Cinema

Despite the SAG-AFTRA strikes in the Summer, Cinema saw an 8% increase in the box office for 2023 (UK&IE), surpassing £1bn for the first time since pre-pandemic.

The strikes pushed some major releases (e.g. Dune Part II) into 2024 and there is a strong film slate coming; Inside Out 2, Deadpool 3, Despicable Me 4, Joker and Mufasa are all predicted to perform well. Cinema continues to represent a cost-effective route to young, ABC1 adults relative to TV/VOD, so revenue is expected to increase by 7%. Admissions are set to increase but to a lesser degree (+4%), putting inflationary pressure on pricing that was already apparent in '23. As a result, price increases will likely be introduced in 2024

FY 2023	+2%
2024 (f)	+5%

2023 viewpoint

- A Closer Look At Media Pricing Movement

Display & Video

View of the market

As we enter the cookie’s final year, all advertisers and agencies now await the solutions that will best deliver mass targeting at scale. The reality might be more fragmented than many would like, with the likes of Google and The Trade Desk still both offering separate methodologies. First-party data and contextual targeting will do the heavy-lifting in the interim.

Inflation should slow a little in 2024, as the market settles to new trading practices. But with attention still key, premium and trustworthy publishers should continue (deservedly) to see revenue growth.

View on pricing

Our Observation (YoY)

FY 2023	+5%
2024 (f)	+3%

Paid Social

2023 wasn’t a stellar year for paid social, with mass job losses across the sector reminding the world that the perception of tech companies’ infallibility was something of a mirage. And with X (formerly Twitter) still hamstrung by its owner’s caprices and Meta still dawdling in the Metaverse, the sector seems to be struggling with more negative PR than positive.

This may continue into 2024, particularly if retail media really starts to snap at Meta’s heels in its quest to become the next digital gold-rush.

FY 2023	+0%
2024 (f)	+3%

2023 viewpoint

- A Closer Look At Media Pricing Movement

Radio

View of the market

2023 saw all sales houses apply formal price increases applied across all agency groups. As such, we anticipate no need for price increases through 2024. Radio suffered reduced 2023 revenue and total media demand, but commercial radio still reached 70% of adults in Q3.

Unless cancelled out by a general recovery in media revenue, 2024 linear radio revenue may continue to decrease, as the advantages of digital targeting capabilities and environments such as podcasts impact plans. But this wouldn't impact pricing, since radio is a fixed price market.

View on pricing

Our Observation (YoY)

FY '23	+7%
2024 (f)	+0%

OOH

Further cost inflation is anticipated in 2024 for OOH. Clear Channel are set to increase the price of their digital 6-sheets (a format that's key to driving cost effective reach at scale) from April 2024. This is likely to drive up prices for a sizeable chunk of the market.

Demand is generally increasing across the board; paper and paste will be especially tight given the gradual removal of non-digital sites, keeping pricing buoyant there too.

FY '23	+6%
2024 (f)	+4%

Press

Cost-per-page continues to drop for national press. But this is outstripped by the decline in readerships, resulting in moderate but continuous inflation on a CPT basis.

Nielsen data suggests that in 2023 the retail and finance sector decreased its print investment significantly. This is not a welcome trend for publishers in and of itself, but it does create space; an opportunity for other brands to better 'cut through' with their print messaging, and deliver strong ROI at the right investment level.

FY '23	-4%
2024 (f)	-3%



To learn more, contact Michelle Morgado at Michelle.Morgado@ebiquity.com



Ebiquity is the world leader in media investment analysis

We deliver data-driven solutions that **create value and eliminate waste**, enabling brand owners to **increase returns** from their media investments and **improve business outcomes**

Our independent, fact-based advice is delivered through four service lines:

› **Media Management**

› **Media Performance**

› **Marketing Effectiveness**

› **Contract Compliance**

We stand out because we do things differently:

Independent advice

We can provide independent advice and solutions because we have no commercial interest in any part of the media supply chain

Unparalleled data expertise

We analyse c.\$100bn of media spend and contract value from 110 countries annually, including trillions of digital impressions

Innovating for the future

Solutions for the challenges of today and tomorrow, including CO2 emissions, disinformation, diversity, and rapidly emerging channels

Global reach and expertise

We cover 80% of the global advertising market providing us with the most comprehensive, independent view of the world's media investments

More than 70 of the world's top 100 advertisers today choose Ebiquity as their trusted independent media advisor

Creating a **Better** Media World, **Together**.

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