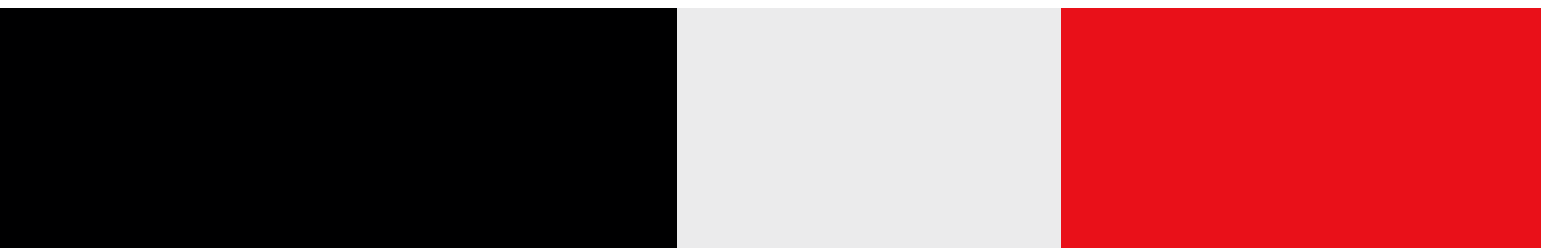
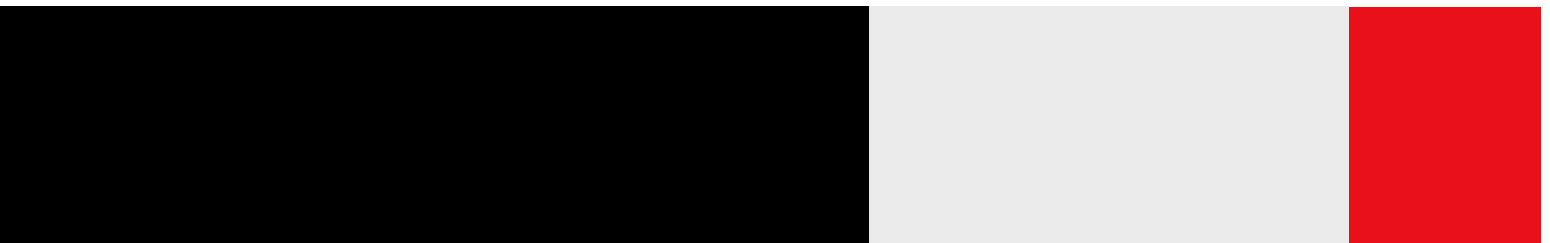


# B2B Digital Ad Spend Forecast 2023

Slow Growth Overall With Shifts Toward Social

**Contributors:** Brian Lau, Evelyn Mitchell-Wolf



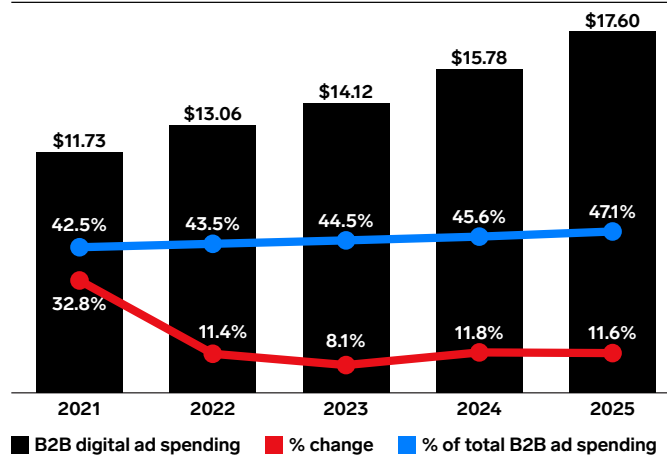
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## B2B Digital Ad Spend Forecast 2023

- **US B2B digital ad spending will grow slowly.** After a pandemic boom that pulled ad spending forward, growth has slowed considerably (see leading chart). But significant shifts are happening in the way advertisers spend on digital ads.
- **Traditional media's dominance is losing ground.** Mirroring an overall US ad spending trend, traditional media's share of B2B ad spend continues to drop. By 2025, B2B traditional ad spending growth will slow to 5.0% YoY versus digital at 11.6%.
- **Social media platforms are top destinations for B2B digital ad buyers.** The top two channels in the digital ad spending space are LinkedIn and Meta. Together, they'll capture more than 37% of all B2B digital ad spend in 2023.
- **Display will dominate search by 2024.** B2B video ads will help drive up display's growth rate, with YouTube accounting for 15.0% of B2B video ad spending in 2023. LinkedIn also contributes heavily to display; it has captured at least 40% of all B2B display ad spending since 2021.
- **Mobile will gain a bigger piece of the pie.** That growth reflects a larger trend in the overall US ad market as consumers spend more time on mobile devices. Nearly 50% of all US B2B digital ad spend will go to mobile advertising in 2023.

**US B2B Digital Ad Spending, 2021-2025**  
billions, % change, and % of total B2B ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

Our complete estimates for B2B ad spending can be found via our website's interactive [forecast module](#).

## B2B digital ad spend growth will slow while social, display, and mobile gain ground.

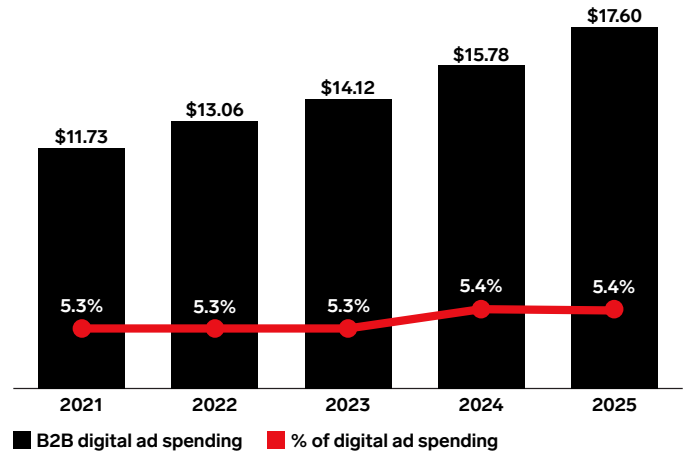
**What's happening?** B2B digital ad spend growth is leveling out after a pandemic boom. Budgets for advertisers will be relatively flat throughout our forecast period. But significant shifts are happening in the way advertisers spend on digital ads.

**How does this affect B2B advertisers?** They may need to adjust their strategies to effectively reach younger B2B buyers who spend more time on mobile devices and respond to eye-catching imagery on social media. Advertisers can also support their campaigns by using newer generative AI (genAI) tools to customize and personalize ad copy, which can significantly improve their own productivity as well as their return on ad spend (ROAS).

## How is the B2B digital advertising landscape changing?

US B2B digital ad spending mirrors the overall ad spend market, where growth has slowed following a major spike during the pandemic. Economic conditions and tighter budgets will also contribute to the slowdown. Still, we estimate conservative growth will continue throughout our forecast period.

### US B2B Digital Ad Spending, 2021-2025 billions and % of digital ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

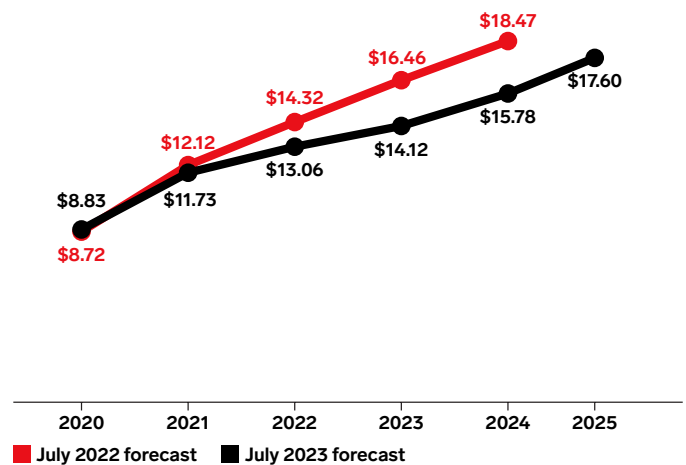
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Insider Intelligence | eMarketer

### Digital gains ground against traditional.

- Our latest estimates project an even greater shift to digital media. We revised our ad spend estimates down slightly from last year due to overall market conditions and information from our B2B sources. However, digital's share of B2B ad dollars will continue to increase—from 43.5% in 2022 to 44.5% in 2023—and will do so for the foreseeable future.

### How Has the Forecast for US B2B Digital Ad Spending Changed? billions, 2020-2025



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

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## Younger buyers and genAI are shaping digital ad buying.

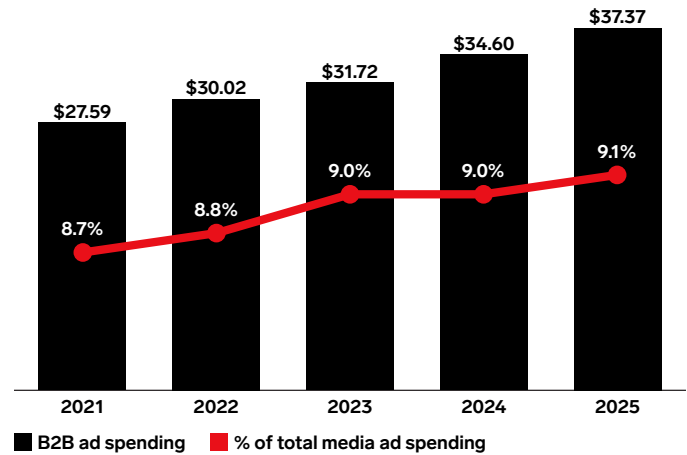
- **B2B buyers expect a more consumer-like, digital, self-serve experience.** Many are remote workers or in the office only a few days a week. They're on the move, communicating and checking emails and social activity on mobile devices. Further, these buyers are part of large buying committees consisting of multiple buyer personas, needs, and experiences. They may not even be in the market to make a purchase, or are spending more time making buying decisions.
- **GenAI is helping reach future and in-market buyers.** Using AI and machine learning for bid decisions and optimization has been around for a while. But genAI is starting to have a dramatic impact on content creation for B2B digital ads. AI-generated ads can be more personalized and engaging than human-generated ads, which can help deliver a higher ROAS. GenAI is also helping B2B firms with brand awareness. Brand campaigns are on the rise and genAI is helping advertisers stand out through personalized messaging.

To read more about genAI's impact on marketing, check out our June 2023 report: [The Power of Generative AI in the Buyer's Journey: How Marketers Are Elevating CX](#).

## B2B ad spending beyond digital ads.

- **B2B traditional media spend will only increase by 3.8% YoY in 2023.** Traditional will account for 55.5% of total B2B ad spending this year. But by 2025, that share will drop to 52.9%. By then, B2B ad spend on traditional outlets will total \$19.77 billion. That mirrors a wider trend: [Traditional media's](#) share of all ad spending (B2B and B2C combined) will decline from 25.4% in 2023 to 17.6% in 2027.
- **Total B2B ad spending will account for less than 10% of overall ad spending.** B2B's share of the US market will remain flat through 2025, at around 9%. US B2B total ad spending will grow 5.7% YoY to \$31.72 billion in 2023—down from a pandemic high of 27.8% in 2021. By 2025, total B2B ad spend will be \$37.37 billion.

## US B2B Ad Spending, 2021-2025 billions and % of total media ad spending



Note: includes digital (desktop/laptop, mobile, and other internet-connected devices), directories, magazines, newspapers, out-of-home, radio, and TV  
Source: Insider Intelligence | eMarketer, July 2023

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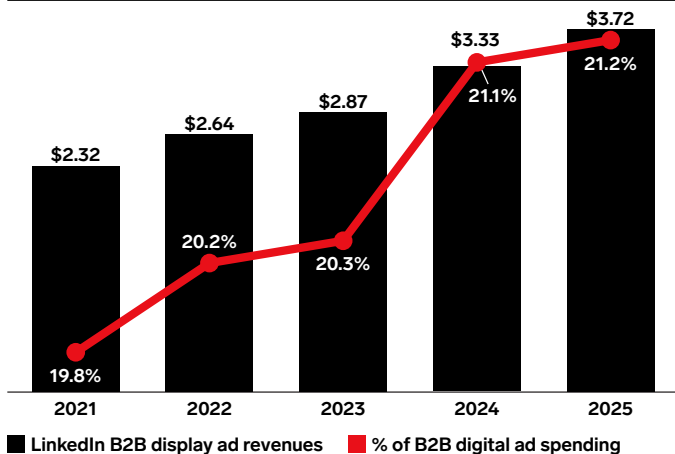
## Social and video draw dollars—and attention.

Younger B2B buyers spend an ever-increasing amount of time with social and video. The leading social channels for B2B ad spend are LinkedIn and Meta—specifically Facebook and Instagram. These platforms are rolling out genAI tools in 2023, such as LinkedIn's [Copy Suggestions tool](#), which can help with the success of advertising campaigns.

## LinkedIn dominates social, followed by Meta.

- **LinkedIn will take 20.3% of B2B digital ad spending in 2023.** LinkedIn is the premier B2B social platform, with over 96% of its ads oriented to B2B. LinkedIn will capture at least 40% of all B2B display ad spending through 2025, the end of our forecast period. LinkedIn's YoY growth rate for display ad revenues has slowed from its pandemic high, but it will be a respectable 11.8% in 2025.

## US LinkedIn B2B Display Ad Revenues, 2021-2025 billions and % of B2B digital ad spending

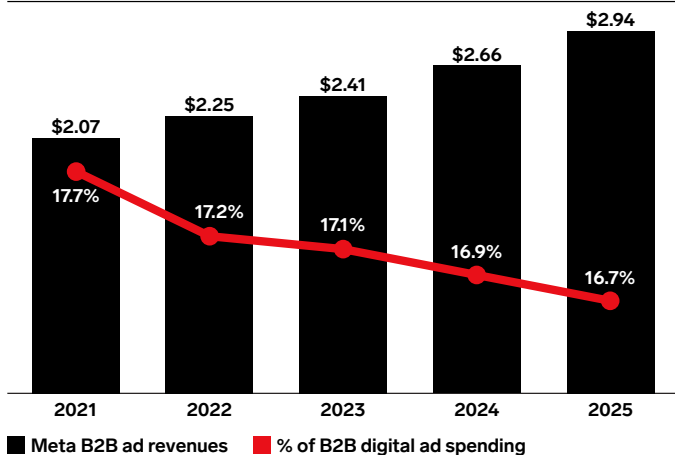


Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes banners, rich media, sponsorships, video, and ads such as LinkedIn's Sponsored Content; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites  
Source: Insider Intelligence | eMarketer, July 2023

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- **An increasing portion of Meta's ads are B2B-oriented.** Facebook is a popular channel for B2B ad spend because it allows advertisers to easily target decision-makers at small businesses. Even though growth in its overall ad revenues has slowed, Meta will take 17.1% of B2B digital ad spending in 2023.

## US Meta B2B Ad Revenues, 2021-2025 billions and % of B2B digital ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes Facebook and Instagram ad revenues; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; excludes payments to influencers or other creators to produce sponsored content; includes branded content amplified as paid media; excludes revenues reported under Meta's Reality Labs segment  
Source: Insider Intelligence | eMarketer, July 2023

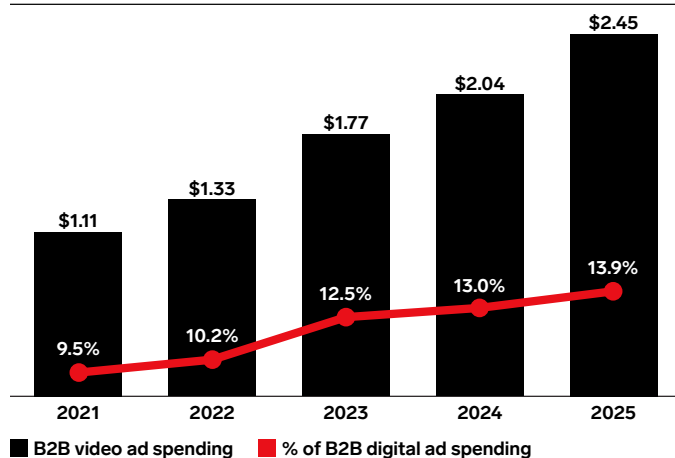
282955 Insider Intelligence | eMarketer

To read more about B2B social marketing trends, check out our June 2023 report: [B2B Social Media Marketing: 3 Ways Marketers Can Connect With Young Buyers Now.](#)

## YouTube is a big player, too.

- **YouTube influences and informs B2B decision-makers.** Its B2B ad revenue annual growth rate will hit 10.4% in 2023 before climbing to 16.8% in 2025. YouTube will account for 15.0% of all B2B video ad spending in 2023.
- **B2B video advertising's growth will accelerate this year.** This format will grow 32.4% this year, to \$1.77 billion, and it'll represent 26.1% of B2B display ad spending. B2B advertisers are doubling down on video because of its effectiveness and engagement potential, especially through social channels.

## US B2B Video Ad Spending, 2021-2025 billions and % of B2B digital ad spending



Note: includes in-stream video such as those appearing before, during, or after digital video content in a video player (pre-roll, mid-roll, or post-roll video ads) and video overlays; includes social network in-stream video advertising in platforms such as Facebook Watch and Snapchat Shows; includes outstream video ads such as native, in-feed (including video ads in Facebook's News Feed and Twitter's Promoted Tweets), in-article, in-banner, and interstitial video ads; appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices for all formats mentioned  
Source: Insider Intelligence | eMarketer, July 2023

282949 Insider Intelligence | eMarketer

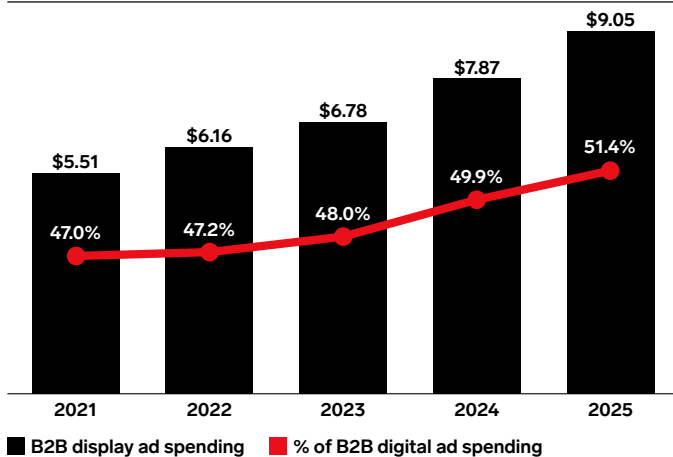
## B2B buyers favor display ads viewed on mobile.

Advertisers are shifting toward display as a format and mobile as a preferred device to reach younger buyers. This trend highlights the importance of visual storytelling and creative communication to reach and engage B2B audiences effectively.

## Display will soon replace search as the dominant format for ad spend.

- **B2B display ad spending will grow 9.9% this year.** That will outpace B2B search ads' 7.2% growth rate. Display will account for more than half of all B2B digital ad spending by 2025.

### US B2B Display Ad Spending, 2021-2025 billions and % of B2B digital ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; includes banners, rich media, sponsorships, video, and ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

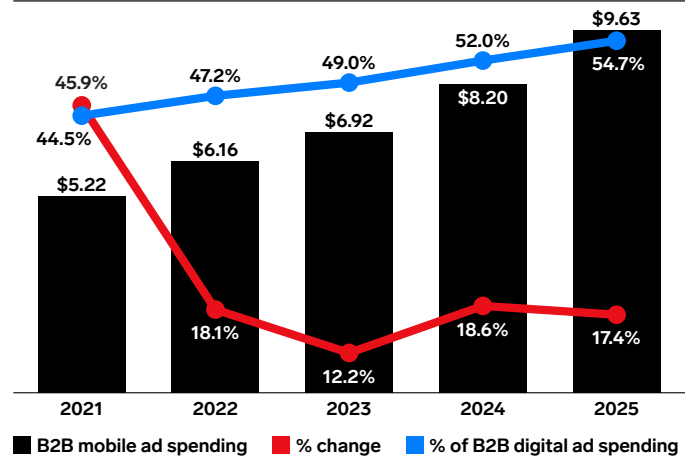
282948 Insider Intelligence | eMarketer

- **Google's share is slipping.** Google has long commanded a significant share of the B2B search market. However, ecommerce platforms like Amazon Business are drawing in search ad dollars, while social platforms like Instagram are leaning into search too. Google's share of the B2B search ad market will decline to 72.9% in 2023, from 80.5% in 2019.

## B2B mobile ad spend steadily gains a bigger share.

- **B2B mobile ad spending will grow 12.2% YoY in 2023, a slowdown from 2022's figure (18.1%).** This growth reflects a larger trend in the overall US ad market as consumers spend more time on their mobile devices. But the overall shift to mobile among B2B advertisers will continue. Nearly 50% of all US B2B digital ad spend will be directed to mobile advertising in 2023.

### US B2B Mobile Ad Spending, 2021-2025 billions, % change, and % of B2B digital ad spending



Note: includes ad spending on tablets; display data includes banners and ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets, rich media and video on WAP sites, mobile HTML sites, and embedded in-app/in-game advertising; search data includes advertising on search engines, search apps, and carrier portals; messaging data includes ad placements in SMS, MMS, and peer-to-peer messaging; video includes advertising that appears before, during, or after digital video content in a video player  
Source: Insider Intelligence | eMarketer, July 2023

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## Key B2B industries will see slower growth.

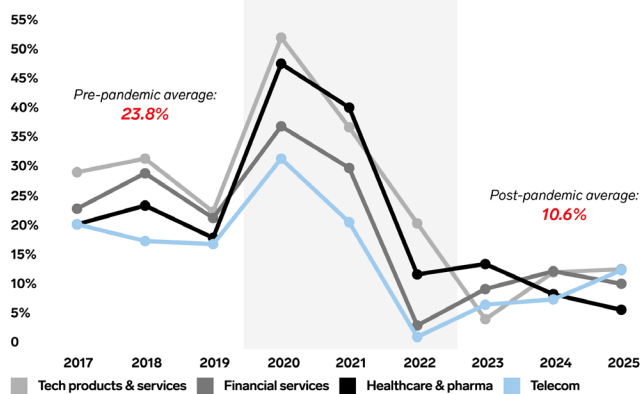
Economic uncertainty and overall market adjustments are affecting growth rates of B2B ad spending in the industries we track. B2B firms are being much more conservative with their budgets across the board. Tech products and services will see the slowest B2B ad spending growth in 2023, while growth will increase in financial services, healthcare, and telecom.

## B2B digital ad spend growth won't reach pre-pandemic levels.

All industries we track will see slower YoY growth when compared with the pandemic years' boom times. But they'll also grow more slowly than they did during the years immediately preceding the pandemic. We estimate that the 2023–2025 growth rates for tech, finance, healthcare, telecom, and industries we track in our “other” category will be, on average, over 13 percentage points lower than they were during 2017–2019. That suggests we have a few years to go until we see pre-pandemic growth rates again.

### B2B Digital Ad Spend Growth Is Slower Post-Pandemic

B2B digital ad growth rates (YoY) for key industries, 2017-2025



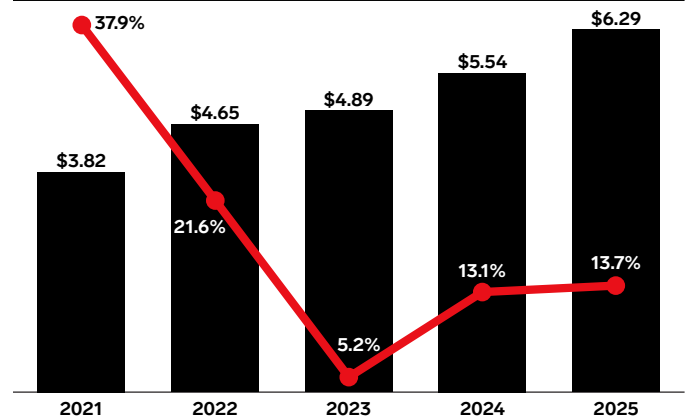
Note: includes advertising from the referenced industry that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

350499 Insider Intelligence | eMarketer

- Tech products and services:** This industry includes firms that sell hardware or offer software as a service (SaaS), cloud, or IT services to other businesses. B2B digital ad spending among these companies will grow only 5.2% YoY in 2023, largely because ad spending was pulled forward during the early years of the pandemic. Growth will tick up in the next couple of years, with digital spend reaching \$6.29 billion by 2025.

### US B2B Digital Tech Products and Services Industry Ad Spending, 2021-2025

billions and % change



■ B2B digital tech products and services industry ad spending  
■ % change

Note: includes advertising from the technology products & services industry that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

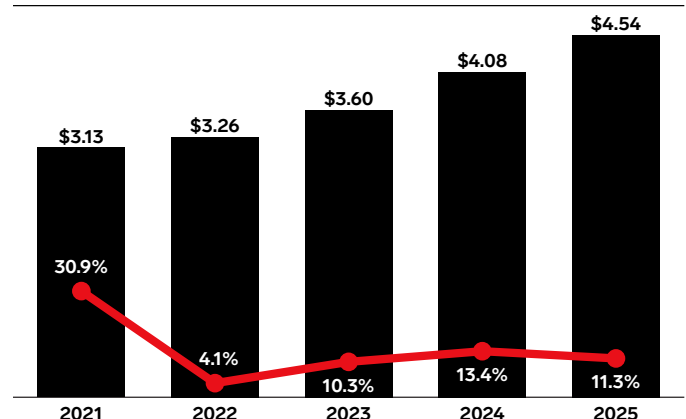
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- Financial services:** This segment represents financial firms, such as companies that sell banking, insurance, payment methods, or credit services to other businesses. Its B2B digital ad spending will increase to \$3.60 billion in 2023, faring better than the tech industry with a growth rate of 10.3% YoY. Similar growth increases are expected for the next few years, and spending will reach \$4.54 billion in 2025.

### US B2B Digital Financial Services Industry Ad Spending, 2021-2025

billions and % change



■ billions ■ % change

Note: includes advertising from the financial services industry that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

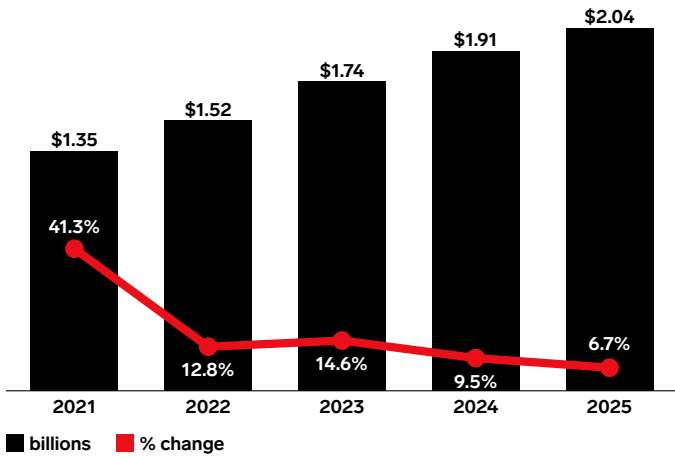
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- Healthcare and pharma:** B2B digital ad spending for healthcare and pharma—including biological products and research—will be \$1.74 billion in 2023. Growth in digital ad spending jumped during the pandemic (up to 48.7% in 2020) but dropped significantly in 2022. This segment’s growth rate will increase to 14.6% in 2023, but it’ll slow considerably again for the remainder of our forecast.

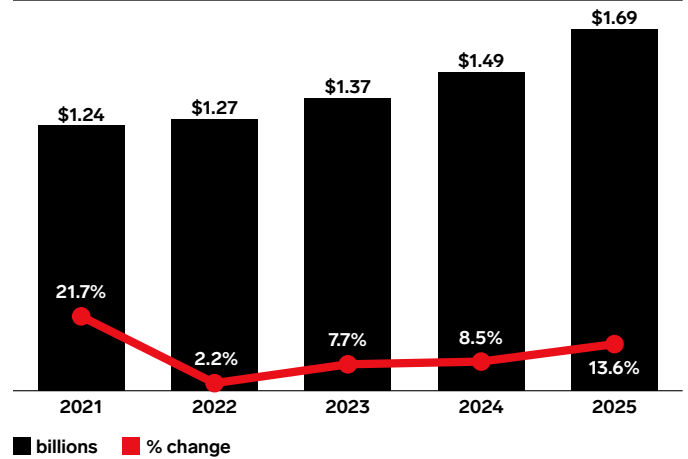
**US B2B Digital Healthcare and Pharma Industry Ad Spending, 2021-2025**  
billions and % change



Note: includes advertising from the healthcare & pharma industry that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; includes ads such as Facebook’s News Feed Ads and Twitter’s Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

- Telecom:** The pandemic also drove up digital ad spending in telecom. Digital B2B ad spending will grow 7.7% YoY this year, to \$1.37 billion. Telecom growth will bounce back better than most other industries; we estimate that total B2B digital ad spend for telecom will reach \$1.69 billion in 2025.

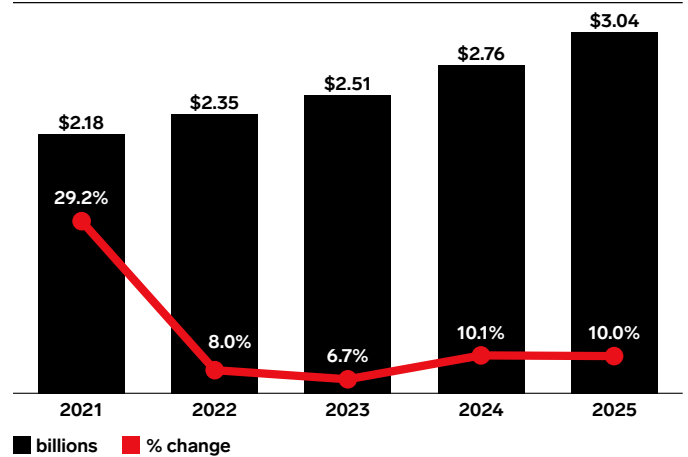
**US B2B Digital Telecom Industry Ad Spending, 2021-2025**  
billions and % change



Note: includes advertising from the telecom industry that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; includes ads such as Facebook’s News Feed Ads and Twitter’s Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

- Other:** This segment includes all other tracked industries such as automotive, logistics, media, travel, and professional services. As with the four main segments, the pandemic boom is over, and the rolled-up YoY growth rate for these industries will be 6.7% this year. Meanwhile, B2B digital ad spending will reach \$2.51 billion. We expect slightly higher growth for the remainder of the forecast (10% YoY), with spending hitting \$3.04 billion by 2025.

**US B2B Digital Other Industry Ad Spending, 2021-2025**  
billions and % change



Note: includes advertising from the other industries that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; includes ads such as Facebook’s News Feed Ads and Twitter’s Promoted Tweets  
Source: Insider Intelligence | eMarketer, July 2023

## How to optimize B2B advertising strategies

**Marketers and advertisers should concentrate their efforts on the social channels where B2B decision-makers spend their time researching, engaging, and interacting with B2B companies.**

They should also consider creating display ads suitable for mobile devices and experiment more with video. In today's B2B advertising world, they should consider using genAI tools to generate digital ad creatives with personalized and engaging imagery and messaging, which will maximize the effectiveness and results of advertising budgets.

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### Behind the Numbers

Our estimates for the US B2B advertising market include the advertising of products and services to businesses or other organizations for use in the production of goods, business operations, and resale. This contrasts with any advertising aimed at individual consumers.

In our forecast, we distinguish B2B versus B2C advertising by three criteria:

- **The type of company advertising.** Does the company advertising sell only to businesses? If so, that company's advertising is B2B advertising.
- **The media context.** Is the advertising on a professional website or in an industry trade publication? If so, that's most likely going to be B2B advertising. (In other cases, it's high-consideration B2C or aimed at an affluent consumer audience.)
- **The messaging in the ad.** For companies that sell to both businesses and consumers: Is the creative or call to action in the advertisement focusing on a business use case? If so, that would be B2B advertising.

There are companies that sell to both businesses and consumers and therefore advertise to both audience groups. Due to this gray area, some B2C advertising may influence a B2B purchase, even though the target audience wasn't B2B, because of the brand halo effect—especially in industries with strong consumer brands like telecommunications.

B2B digital advertising may appear on desktop/laptop computers, mobile phones, tablets, and other internet-connected devices and includes all the various formats of advertising on those platforms; it also includes ads on social media, such as Facebook's News Feed Ads and LinkedIn's Sponsored Content.

Traditional ad spending includes directories, magazines, newspapers, out-of-home, radio, and TV.

Our forecasting methodology for US B2B ad spending is based on an analysis of 821 metrics from 72 sources—including macro-level economic conditions; historical trends of the advertising market; historical trends of each medium in relation to other media; reported revenues from major ad publishers; estimates from other research firms; B2B media consumption trends; B2B device usage trends; and 37 interviews with executives at ad agencies, B2B advertisers, technology vendors, media publishers, and other industry leaders.

We do a bottom-up analysis of the market, considering each company's ad revenues. This information comes from quarterly earnings releases, annual shareholder documents, and statements from executives in earnings calls. Company-specific data is also evaluated alongside estimates from third-party research firms and interviews with executives at ad agencies, brands, media publishers, and other industry leaders covering these companies.

Each forecast fits within the larger matrix of all our forecasts, with the same assumptions and general framework used to project figures in a wide variety of areas. Regular re-evaluation of available data means the forecasts reflect the latest business developments, technology trends, and economic changes.

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# Insider Intelligence Interviews

Insider Intelligence and eMarketer research is based on the idea that multiple sources and a variety of perspectives lead to better analysis. Our interview outreach strategy for our reports is to target specific companies and roles within those companies in order to get a cross-section of businesses across sectors, size, and legacy. We also look to interview sources from diverse backgrounds in order to reflect a mix of experiences and perspectives that help strengthen our analysis. The people we interview for our reports are asked because their expertise helps to clarify, illustrate, or elaborate upon the data and assertions in a report.

## Kevin Arsham

*Partner, Group Account Director, B2B/B2C Specialist*

**MediaCom**

*Interviewed on May 3, 2023*

## Greg Bell

*Vice President, Strategic Marketing*

**6sense**

*Interviewed on June 1, 2023*

## Chris DeMartine

*Managing Director*

**Programmatic B2B**

*Interviewed on April 28, 2023*

## Greg Dolan

*Co-founder and CEO*

**Keen Decision Systems**

*Interviewed on April 12, 2023*

## Gareth Noonan

*General Manager, Advertising*

**Demandbase**

*Interviewed on May 5, 2023*

## Penry Price

*Vice President, Marketing Solutions*

**LinkedIn**

*Interviewed on May 18, 2023*

## Read Next

[B2B Social Media Marketing: 3 Ways Marketers Can Connect With Young Buyers Now](#)

[The Power of Generative AI in the Buyer's Journey: How Marketers Are Elevating CX](#)

[US B2B Marketing Data Spending Forecast 2023: Privacy and Economic Concerns Lead to Slower Growth](#)

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