

Social media ad spending 20% higher towards 2021

Forrester's social media advertising forecast, 2017 - 2022 indicates that global social ad spending continued to grow robustly in 2016. After increasing by 45.5% in 2015, this growth accelerated to 51.8% in 2016, above prior 41.9% estimate. The acceleration is surprising, given that the growth was already high on top of a large base of \$23.7bn in social ad spending in 2015.



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According to the report, Facebook was the main source of this growth in 2016 with the largest number of users and the best at monetising those users. Despite this, overall online ad spending share of total advertising is predicted to only increase by one percentage point in 2021, from 47% to 48%.

The forecast also lists several factors that support this robust growth outlook, including:

- Facebook seems poised to start monetising video in a meaningful way.
- Snapchat could soon surprise with video ad revenue helped by original content.
- Social ad load outside the Facebook news feed has room to expand in the US.
- Developing countries with low social ad spend per user offer upside opportunity.
- Developed countries will continue to drive the majority of growth.

For more information on Forrester's social media advertising forecast, 2017 – 2022 or to read the full report, click [here](#).

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