HIGHER MEDIA VALUE

ECI Media Management

media inflation report

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Contents

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Photo: Warchi / iStock

Executive summary 2024

The world is facing continuing uncertainty, with the upheaval of the pandemic giving way to geopolitical tensions erupting in Europe and the Middle East. The global economy continues to teeter between recovery and recession, with glimmers of light – notably the US – neutralized by struggles in major economies such as Germany, the UK and Japan. This ongoing uncertainty, coupled with higher-than-desirable inflation in many countries, is leading to caution among both consumers and investors.

All this translates to an equally mixed picture for advertisers the world over. On the positive side is the economic recovery in the US, as well as an active year in terms of sport, with the Olympic and Paralympic Games in Paris and the UEFA Euros in Germany offering plentiful investment opportunities. However, the uncertainty in the markets and on the part of consumers means that advertisers need, now more than ever, to tread carefully and ensure every dollar they invest works hard and drives business results for their brand. In a rapidly evolving media landscape, with AI permeating all areas of the industry and the cookie finally facing its demise, this is an increasingly challenging and complex task.

ECI Media Management forecasts that in 2024, overall global media inflation will be at 3.1%, slightly lower than in 2023, which was in turn significantly lower than in 2022. This slowing down is likely a sign of the challenging context. All media types are forecast to see some level of inflation at a global level, although there are variations at a regional and market level. OOH and Online Video are forecast to have the highest inflation at a global level, overtaking TV which had the highest forecast in early 2023, but which was downgraded over the course of the year. The high inflation that Online Video is seeing can be in part explained by the continued growth of the CTV and streaming sector. Both Print media, which were deflationary in 2023, are forecast to make a weak recovery at a global level in 2024.

Executive summary 2024

At a regional level, all media types are forecast to be inflationary in EMEA, LATAM and APAC. There is a different story in North America, however, where TV and both Print media are expected to be deflationary. The boost given to TV in the US by increased investment for the Olympics and the elections is being offset by the shift of dollars to CTV, and the uncertain economic climate.

Overall media inflation in EMEA remains unchanged from 2023, with a slight increase in Offline deflation offsetting a slight decrease in Online. Media inflation in APAC is similarly consistent, having raised by less than one percentage point over 2023. Media inflation is much more volatile in LATAM – while the overall inflation levels have not increased much year on year, they are much higher than in the other regions.

At ECI Media Management, we pride ourselves on our forensic, modern approach to understanding the media industry. Whether we are analyzing our clients' media investments so they can optimize future investments, or lifting the lid on industry trends, our goal is always the same: to empower advertisers to drive higher media value from their media investments. Our experts have been tracking media inflation since 2012, harnessing their deep knowledge of the advertising landscape and industry-leading data analysis skills to understand how media inflation is evolving and predict how it will change in the year ahead.

We obtain our data from a number of sources, including our global network of experts, real client data, and agencies. We cross-reference it with data from industry bodies and publications, as well as with agency traders and media vendors, so it holistically reflects the expertise of all those with an impact on trading variables. We're proud that our inflation data is used as a trusted source by industry bodies including WARC.

Photo: Denys Nevozhai / Unsplash

Global economic outlook

Although the global geopolitical situation currently feels gloomy, with wars in Europe and the Middle East igniting tensions among countries far beyond those regions, the economic outlook – while difficult – is showing signs of resilience.

The latest swipe on the global economy

The Covid-19 pandemic and the war in Ukraine have, in the words of Patricia Cohen in the New York Times, 'landed like swipes of a bear claw on the global economy, smacking it off course and leaving scars'. The latest swipe comes in the form of the escalating conflict in the Middle East; attacks by Houthi rebels on ships in the Red Sea are pushing up the costs of moving cargo around the world – these increased costs are being reflected throughout the supply chain and in the final cost to consumers.

A mixed picture from global economic institutions

At the start of the year, the World Bank gave a mixed appraisal of the global economy. It points out that the risk of a recession has reduced and the state of the global economy is more positive than a year ago, thanks mainly to the health of the US economy. However, the growing tensions could throw the recovery off course. It forecasts that global growth will slow for the third year in a row, from 2.6% in 2023 to 2.4% in 2024 – almost three-quarters of a percentage point below the average in the 2010s. The 2020s is set to have a poor record for global growth – the slowest half-decade of GDP growth for 30 years.

The IMF paints a slightly more optimistic picture. It says that the chance of a 'soft landing' for the global economy has increased, with a global recession scenario increasingly unlikely. Its forecast for global growth in 2024 is 3.4%, up two-tenths of a percentage point on its October forecast, and it maintained a forecast of 3.2% for 2025. This improved outlook has been supported by stronger private and public spending, increased participation in the labor force, and lower energy and commodity prices. The IMF says that the biggest global election year in history could boost economic activity, but could also increase inflation. Argentinian inflation is pushing up the global forecast, at 5.8%, but without Argentina this would be lower.

The US enjoyed the biggest upgrade in the IMF's January forecasts compared to its October forecasts, predicting that the world's largest economy would expand by 2.1% in 2024, versus the 1.5% it predicted in October. The Euro area was downgraded to growth of just 0.9% this year.

Global economic outlook

CPI

Global inflation has eased from the multi-decade highs reached in many countries following the conflict in Ukraine. This was a result of a reduction in both energy prices and food prices as crude oil prices fell significantly during 2023 to below their June 2022 peak. Natural gas prices also remained well below their 2022 peak, thanks to the ample storage and supplies from Norway and northern Africa. For global food prices, the resumption of exports from Ukrainian ports under the Black Sea Grain Initiative was a factor in the fall since mid-2022.

Quarterly CPI inflation is comparably lower in China than in other markets, falling into deflation in Q3. Several property developers failed to adhere to criteria set by the Three Read Lines policy, causing the government to restrict their borrowing which hampered investor and consumer confidence.

GDP

The EU is forecast to see growth as strong demand for services boosted service-oriented economies including important tourism destinations such as France and Spain. However, tighter credit conditions are negatively impacting housing markets, investment and activity, particularly in countries with a higher share of adjustable-rate mortgages such as the US.

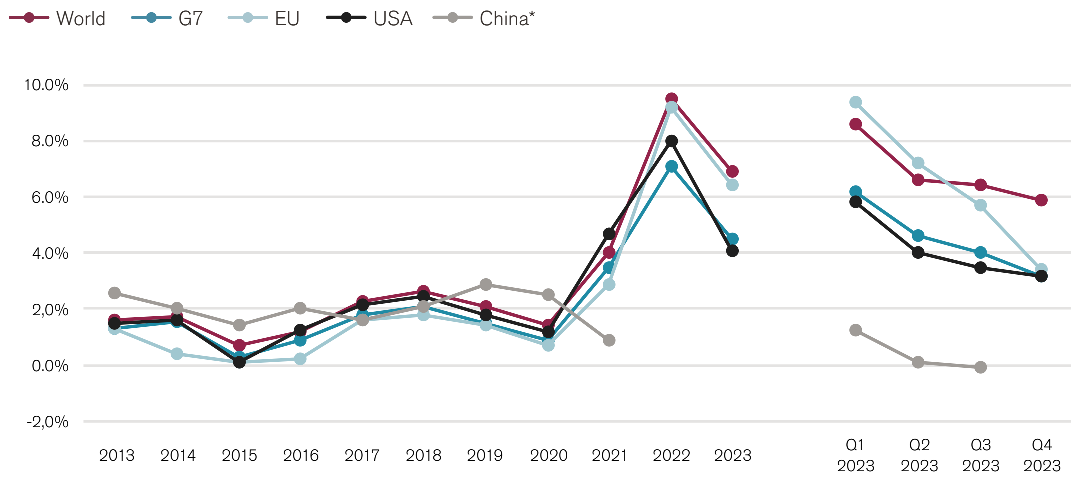
The US economy is displaying robust health, with GDP growth in 2023 in line with pre-pandemic growth. The Federal Reserve has maintained high interest rates in an attempt to slow inflation - this appears to be working, without strangling the economy.

In mid-February, it was confirmed that two G7 economies – the UK and Japan – had slipped into a recession after two quarters of negative growth at the end of 2023. This decrease in GDP caused Japan to lose its position as third largest economy in the world to Germany.

Photo: Daniel Chen / Unsplash

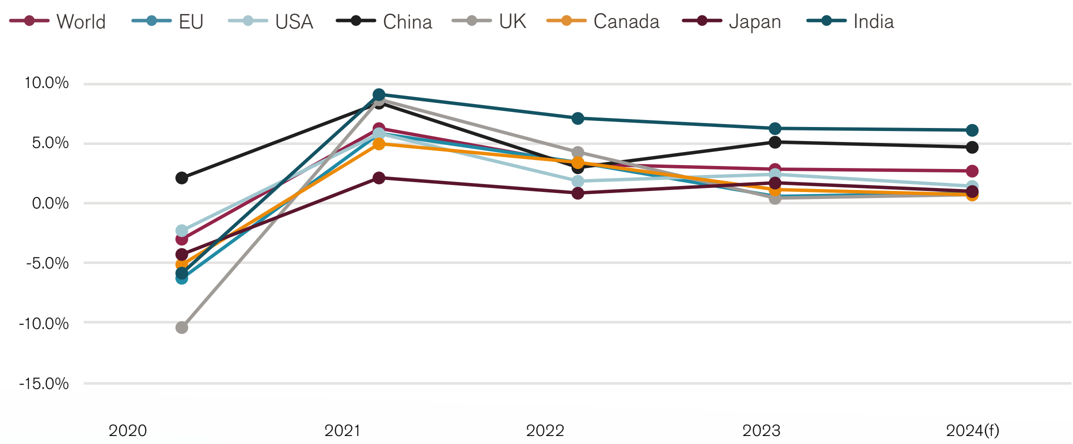
Global inflation trends

CPI Inflation, % change, year-on-year



Source: OECD.stat - Consumer price indices (CPIs) - Complete database. Accessed 15th February 2024 *At the time of publication, the OECD had not released complete data for China

Real GDP, % change, year-on-year



Source: OECD Data – Real GDP Forecast Accessed 15th February 2024

Global context

2024 is already shaping up to be a turbulent year, both for the media and advertising industry and the world at large. The ongoing war in Ukraine and the rising tensions in the Middle East are contributing to declining consumer confidence and having an impact on international trade. Meanwhile, around half the world's population will be eligible to vote in a national election this year, which will see money pour into media channels but also has the potential to further contribute to instability.

Political and global news

The global economy continues to be affected by the conflicts in Europe and the Middle East, but in 2024 a raft of national elections – including in the US – may also have a profound impact on the world's trajectory.

US election

All eyes are turning to the United States, which this year will elect its next president in what is likely to be a bitter race between the incumbent Joe Biden and – probably – former president Donald Trump. Both campaigns will invest heavily in advertising in swing states – Pennsylvania, Michigan, Arizona, Nevada, Wisconsin, North Carolina and Georgia.

But the presidential election isn't the only vote taking place; all 435 seats in the House of Representatives and 34 of 100 seats in the US Senate will be contested in 2024, as well as 13 state and territorial governorships and other state and local elections. Local markets will be flooded with political ad dollars, affecting the availability – and therefore cost – of local TV, Online, Radio and OOH. Insider Intelligence forecasts that political ad spend will jump by 30% on 2020 to more than $12.32 billion; traditional media will rise by 7.9% and account for 71.9% of all spend. Online platforms are expected to see a spike of 156% versus 2020, with strong growth for Meta and Google – rival TikTok does not allow political ads.

However, there is a disconnect between where ad dollars are being invested and where voter eyeballs are. The 2022 midterms showed that voters spend more time on CTV, but political advertisers spent six times as much on linear; this presents an opportunity for brands to shift some linear budget to Online Video.

Other elections

While the US presidential election will dominate headlines around the world, many other major global economies will have national elections this

Photo: Mahdis Mousavi / Unsplash

Global context

year as well, including India - the world's most populous country – South Africa, Pakistan and Mexico. The UK is also more than likely to go to the polls this year, although the date has yet to be determined – the latest the election can take place is January 2025. While these countries will see nothing like the political media investment in the US, they are likely to have an impact on media pricing locally, especially alongside major sporting events (see below). And the results will clearly have an impact on the global economy and trajectory.

Conflict and rising tensions

The geopolitical situation is undoubtedly tense. The war in Ukraine shows no sign of ending. It has contributed to inflation globally, although that is now stabilizing, as we explored in the global economic context section earlier in this report. The resulting rising cost of living in many countries is impacting household budgets which may in turn affect how people vote.

Tensions in the Middle East have reached boiling point following Hamas' attacks on Israeli citizens in October, and Israel's ongoing retaliatory strikes on Gaza. The conflict is igniting other tensions in the region; Houthi rebels in Yemen – seeking to force Israel to cease its offensive in Gaza – are attacking commercial vessels on the Red Sea. This is forcing the ships to reroute around the Cape of Good Hope in South Africa – an extra 3,500 miles – which adds huge costs to trading routes and therefore to the products the ships carry. Maersk's CEO has stated that the situation could have significant consequences for global growth; global trade dropped by 1.3% in December.

Sport

On a more positive note, 2024 will also be a big year for sporting events, following a relatively quiet 2023. This is likely to release ad dollars into the market – some brands may even have kept budget back in 2023 to spend on activations around the sports events of 2024.

Olympic and Paralympic Games

The Olympic and Paralympic Games will take place in Paris this summer. The French capital will host the first 'post-Covid' Games which will likely draw huge spectator, TV and streaming audiences following the very muted, delayed Tokyo Games in 2021. AB InBev has recently announced that it is the first global beer partner of the Olympic Games, and will lead with its non-alcoholic beer, Corona Cero, highlighting 'moderation' – in part to adhere to France's strict laws around alcohol advertising and sport. AB InBev joins the likes of Coca-Cola, Visa and P&G in this top tier of Olympics sponsorship.

Advertisers snap up major live sporting events such as the Olympics and Paralympics as they still attract huge, often live audiences at a time

Global context

when viewership is increasingly fragmented across CTV and streaming platforms. NBC's coverage of the Tokyo games drew the smallest audience for a summer Games since it started broadcasting the Olympics in 1988 – but it was still the biggest TV audience of the year. When they last released their figures in October, NBC's ad sales for the Paris Games was tracking ahead of previous Games; inventory for live coverage of the opening ceremony and halftime slots during team competitions such as soccer and basketball across broadcast, cable and digital had sold out by mid-October.

The UEFA Euros soccer championship

Following the various controversies of the FIFA men's soccer World Cup at the end of 2022 – including human rights, LGBTQ+ rights and an almost total ban on alcohol – the UEFA Euros, hosted by Germany this summer, promises to be a safer advertising opportunity for brands. Big cultural moments such as the Euros allow brands to weave the broad appeal of football into their communications and reach audiences who are otherwise difficult to reach – especially young men.

Photo: Aksonov / iStock

Media and tech developments

The technology and media industries are renowned for evolving at a dizzying rate – and never has that been truer than now, with artificial intelligence accelerating that change exponentially. Alongside the death of the third-party cookie, 2024 will inevitably be a year of learning and adapting – but with the uncertainty could come huge benefits.

A challenging year for TV

2023 was a difficult year for the TV industry, particularly in the US where it was profoundly impacted by the now-resolved Hollywood strikes and the lack of major political or sporting events which typically generate sales for the networks. After the strikes started in May, we amended our forecast for TV inflation in the US to 1.9% deflation; in our subsequent updates this deflation deepened further, ending the year at 5.1% deflation.

While the end of the strikes and the plethora of political and sporting activity will give the TV industry a boost, we are forecasting that it will not be sufficient to mitigate budgetary caution from advertisers and the continued migration of eyeballs to CTV and streaming platforms; we forecast that TV will continue to deflate in the US, although it will be inflationary in the rest of the world.
There are significant movements set to take place in the TV and entertainment industry in 2024. Disney confirmed at the end of 2023 that it would take full control of Hulu, a giant step towards a streaming future for Disney. Disney is likely to bundle their new acquisition with Disney+ and ESPN, with a goal of competing more effectively with market-leader Netflix.

In other TV news, Warner Bros Discovery and Paramount Global are in the early stages of discussions about a possible merger, allowing them to combine their significant TV, film, news and sports offerings. The merging of their respective streaming platforms, Max and Paramount+, could also give them more success in the streaming wars. There are also rumours that Disney and NFL are considering a partnership that would give the latter a stake in ESPN, whilst Disney would take control of NFL Media.

Retail media and social commerce will keep on growing

Retail media is one of the fastest growing Online ad categories, and will continue its rapid growth in 2024. In the US it is forecast to grow by nearly 23% this year, to $55 billion – and to almost double by 2027 (Insider Intelligence). Globally, retail media ad spend is expected to increase by 10.4% to $141.7 billion in 2024. This is a landscape very much dominated by a duopoly – Amazon and Alibaba, which together have around 70% of the market. The latter is expected to

Media and tech developments

drive a large part of the sectors growth, with ad revenues rising 16.7%, from $45.4 billion to $52.7 billion.

Amazon will launch a partnership with Meta this year which will enable in-app Amazon shopping on Facebook and Instagram. Customers will be able to link their Facebook and Instagram accounts to their Amazon account, thereby allowing them to checkout with their saved Amazon payment and shipping information. This will allow for better targeting and better conversion rates, as customers can check out seamlessly. Furthermore, Meta will be able to tailor the ad messaging and product page based on whether a user has a Prime membership; it also bypasses any issues posed by Apple's App Tracking Transparency policy.

The social commerce sector is also experiencing rapid growth; Meta's online commerce vertical was the largest contributor to its growth in Q3 of 2023. According to Statista, sales per buyer is almost $628 on social media, and that is projected to almost double to $1,224 by 2027. Ecommerce brands should consider adding more budget and content to traditional social placements like in-feed, video and stories/reels, as well as influencer partnerships.

The cookie is finally crumbling

2024 is the year that Google will finally put the third-party cookie out its misery, after years of prevarication and delays. At the start of the year it launched a test with 1% - some 30 million people – of its users. After the test is analyzed by Google itself and regulators, it's likely that the cookie will be killed off at the end of the year. The industry has had plenty of notice, and has been exploring alternatives to the cookie, with increasing urgency – identity solutions, targeting strategies and other technologies such as data clean rooms and privacy-preserving APIs. You can read our summary of the situation in our recent blog post. Advertisers should be looking to prioritize first-party data, focus on contextual advertising, explore consent-based data solutions, diversify their channel mix and build strong customer relationships, as well as to keep abreast of this rapidly-evolving landscape.

Artificial intelligence will permeate the industry

AI dominated the headspace of many in the advertising industry in 2023, and 2024 will be no different. Marketers are – and will need to continue – developing a deeper understanding of the practical implementation and implications of AI. The vast majority recognize that AI will be integral to their business and to their role – according to Gartner, 94% say that AI will be part of their tech stacks within four years. But it will take dedication to training and preparation, as there is a risk that it becomes a wasted resource rather than a real asset. Many areas of the advertising industry will be powered by AI, and it will play an increasing role in creative development, media strategy, media buying and even tasks such as billing. It's possible that this will drive costs for brands up, but also drive down transparency in the industry, as it will be possible to have a black box 'stamped' with AI. Media auditors will play a crucial role in ensuring

Photo: Chinaface/ iStock

Media and tech developments

that agencies remain transparent with advertisers.

Furthermore, ethical considerations are likely to come into play. Brands will need to ensure that AI-generated content and recommendations not only align with ethical standards, but that it is clearly communicated as generated by AI in the scope of work contracts. It may also become necessary to label ads as created by AI, similar to the #ad hashtag that must accompany influencer marketing posts on social media.

Working out how to reach the ad-dodger

People have long been able to pay to avoid ads while they are watching video content, by subscribing to the likes of Netflix and Disney+; similarly, many of the podcast and music streaming services have paid-for, ad-free offerings as well. Over the last 12 months, with data regulators scrutinizing their every move, the social media giants have got in on the act. Meta now offers the option of an ad-free subscription for Instagram and Facebook; Snap, X and TikTok either already have paid-for options or plan to roll them out in the future. This makes it increasingly difficult for brands to reach the all-important affluent consumer – who is also less likely to cancel subscriptions due to the rising cost of living. In 2024 advertisers will need to develop an even deeper understanding of these consumers and work out how they can reach them outside of the realm of TV and online, such as OOH and retail spaces.

ECI Thinks is ECI Media Management's regular blog on the issues that matter to global marketers. Follow us on LinkedIn to be notified about our latest analysis on the events, developments and players having a major impact on the marketing landscape.

Global media inflation

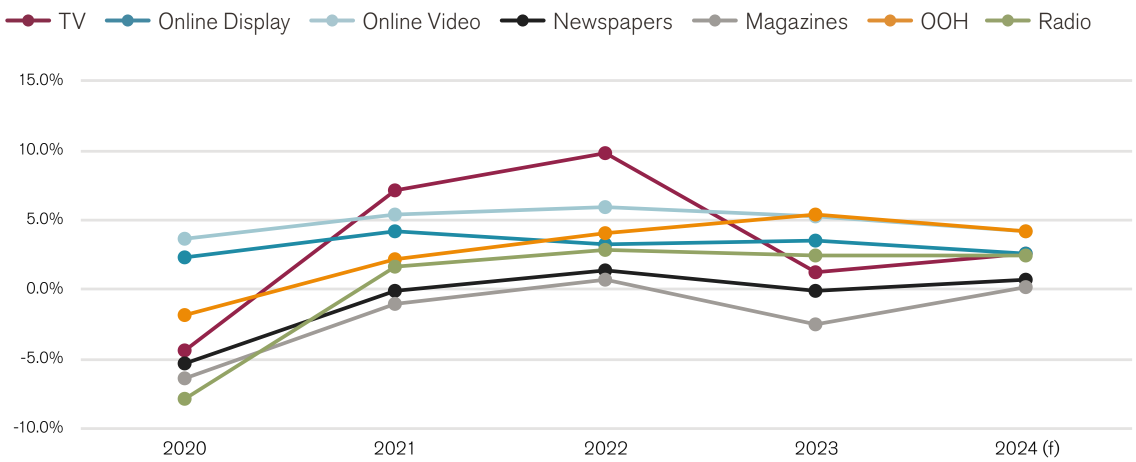
All media types are forecast to see some level of inflation at a global level, although there are variations regionally and by market. The region with the highest inflation will be Latin America, with 11.4% overall media inflation. Argentina is the key driver of inflation in LATAM, but even if the country was excluded, the region would retain the highest overall inflation. EMEA will see the next highest inflation at 3.8% overall, followed closely by APAC at 3.6%, and finally North America at 1.4%.

OOH and Online video will see the highest inflation at the global level; they have overtaken TV, which had the highest inflation forecast in 2023 but which was downgraded over the course of 2023 in the wake of the Hollywood strikes. Global TV inflation has been dragged down by North America, where it is struggling to recover from the impact of the strikes and the continued drift of consumers to CTV, despite a bumper year of events which should encourage investment into TV, including the presidential election and the Olympic and Paralympic Games.

Online Video continues to experience higher inflation than Online Display, thanks mainly to the rising popularity of streaming services. Print is showing some signs of recovery after a difficult 2023, although this recovery is by no means spectacular.

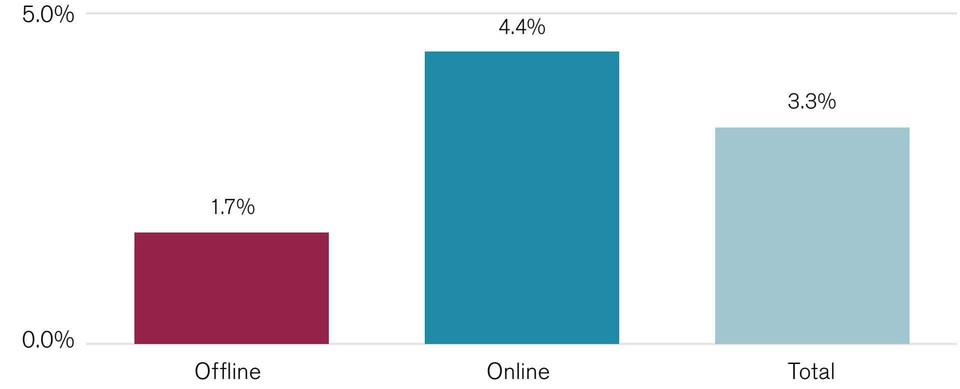
With media prices increasing almost everywhere (with a few notable exceptions) and uncertainty still the predominant feature of the broader global economic context, it pays for advertisers to ensure that their media investments achieve maximum effectiveness and efficiency. At ECI Media Management, our experts can help advertisers to gain an in-depth understanding of their investments, providing actionable insight that will help you to drive higher media value. If you would like to discuss how to optimize your media activity, please contact us at value@ecimm.com, or email our leadership team, whose details are at the end of this document.

5-year trend 2020–2024(f)

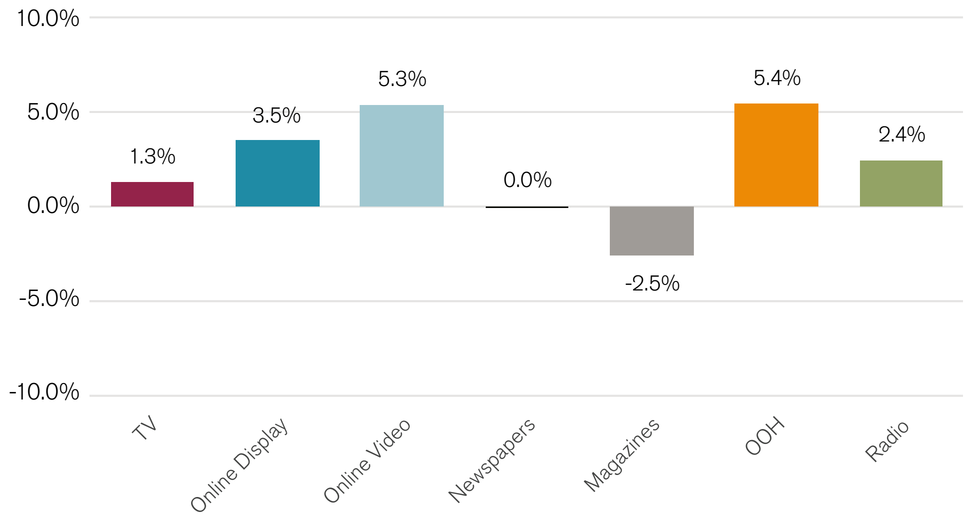


Global media inflation 2023

Global media inflation 2023, Offline vs Online

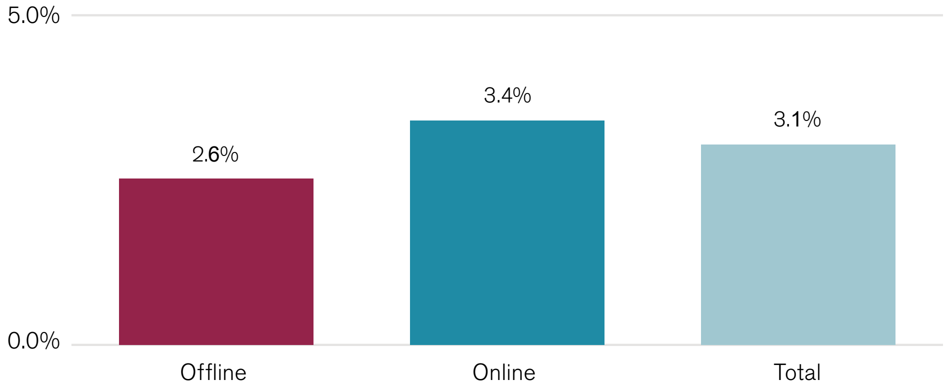


Global media inflation 2023, by media type

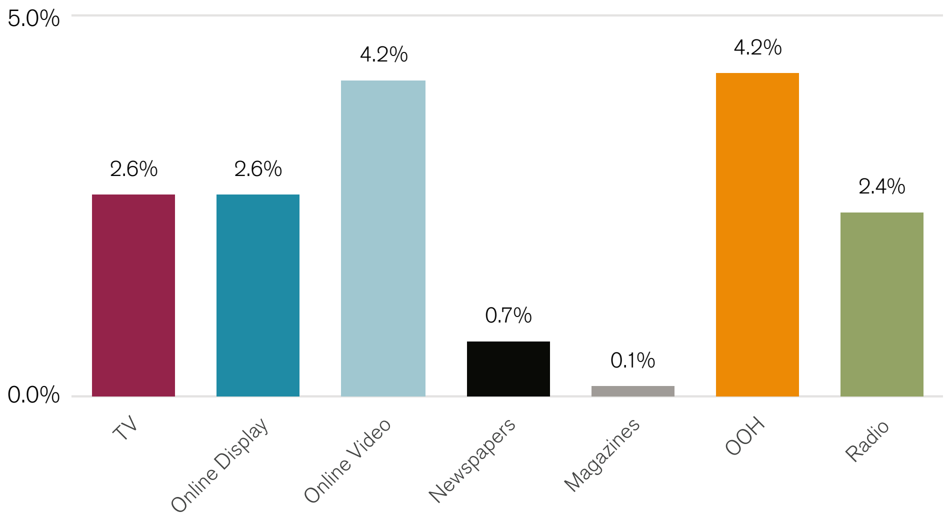


Global media inflation 2024(f)

Global media inflation 2024(f), Offline vs Online



Global media inflation 2024(f), by media type



HIGHER MEDIA VALUE

Regional trends and developments

All media are forecast to inflate across EMEA, LATAM and APAC. There is a different story in North America, where inflation for TV and both Print media types is expected to decrease.

North America

Overall media inflation is 1.4%, a small decrease on final estimates for 2023. Inflation is being slowed by Offline media, notably TV but also Print. In the case of TV, this is due to slow recovery from strikes and the continued drift of eyeballs to CTV. Print is also struggling with the impact of Online.

In 2024 we expect to see significantly more budget released in the US versus 2023 as a result of the Olympic and Paralympic Games, and the upcoming elections, both Presidential and for seats in the House of Representatives and the US Senate, as well as some other state and local elections. Local media will enjoy a windfall in investment as political figures seek to influence voters in key states and seats.

Europe, Middle East & Africa

Overall media inflation in EMEA is forecast to be 3.8%, with no change versus 2023. Offline inflation has increased slightly, to 4.9% from 4.4% in 2023. Meanwhile, Online is offsetting that increase, decreasing from 3.3% in 2023 to 2.9% in 2024. This relative stability has been maintained by minimal shifts across most media types in major markets such as Spain, Italy, France, and Germany.

However, a significant jump in TV inflation in the UK of 10% versus 2023 (from -7.1% in 2023 to +3.0% in 2024) could be a driving force in the increase in Offline inflation in the region. Relatively high inflation in Russia, especially for TV, accounts for half a percentage point of inflation for the entire region.

Asia Pacific

Overall media inflation in APAC has remained relatively stable, dropping by just 0.7% in 2024 versus 2023. Online and OOH have fallen versus their 2023 levels; this has offset rising TV inflation, resulting in the overall inflation forecast than in 2023. Online has a heavier weighting investment than TV, which explains its out-size influence on the overall forecast.

China has maintained very stable inflation in 2024. Online and OOH, all sitting at around 4%, are seeing higher inflation than the other media types, which are all below 1.5%.

Latin America

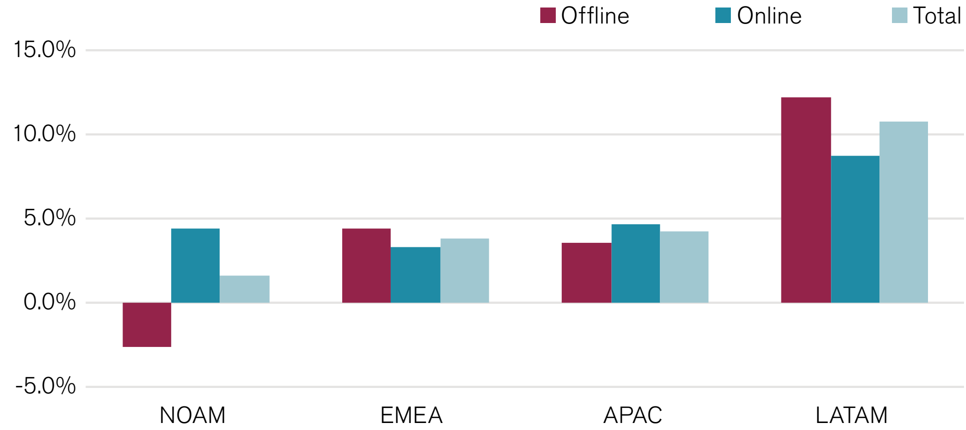
Inflation in Argentina is once again very high, which is having a significant impact on overall inflation for the region. Media inflation in Argentina currently stands at 124%. The media with the lowest inflation is Radio at 88%.

Otherwise in the region, media inflation is comparatively more stable from 2021 onwards, although generally higher than in other regions.

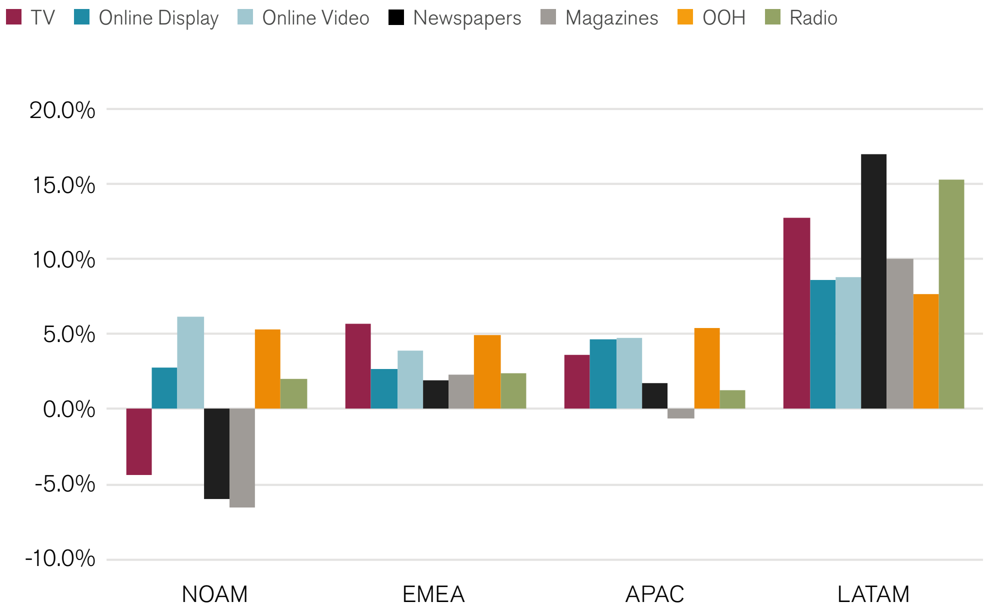
Regional heavyweights Brazil and Mexico are showing relatively stable inflation across most media types, but Colombia and Chile are more volatile, although not nearly as volatile as Argentina.

Regional media inflation 2023

Regional media inflation 2023, Offline vs Online

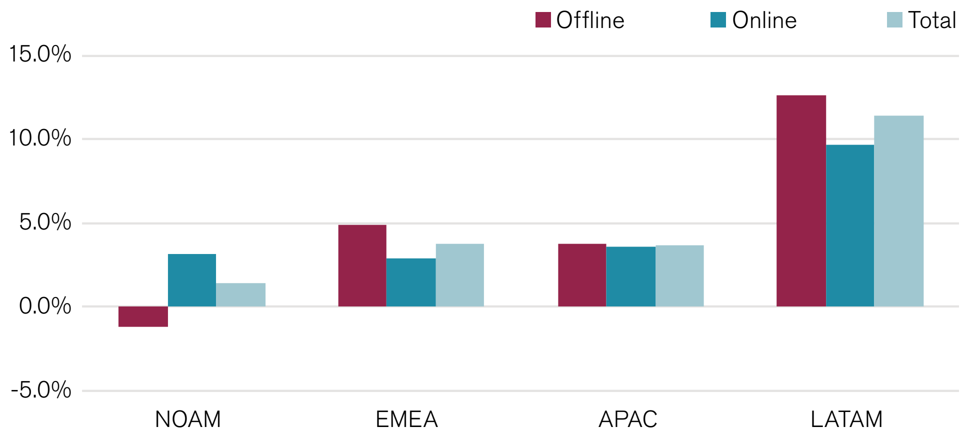


Regional media inflation 2023, by media type

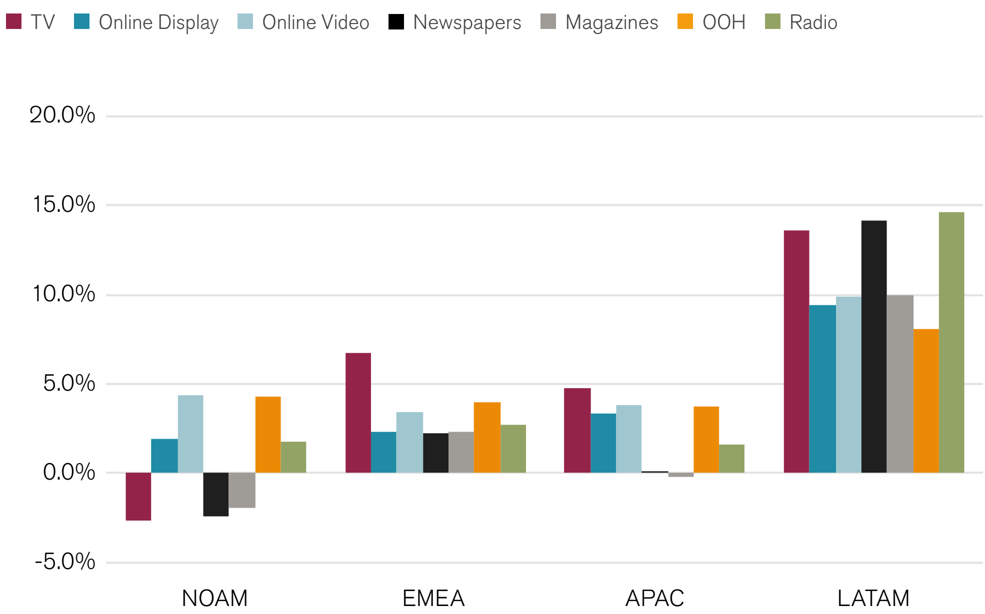


Regional media inflation 2024(f)

Regional media inflation 2024(f), Offline vs Online



Regional media inflation 2024(f), by media type



Markets in detail

Over the next pages we look at how media inflation has evolved in countries around the world. Experts in ECI offices and partners at a local level work with a wide variety of data sources to ensure that their insight and projections are as accurate as possible for our clients and for all marketers.

Each market tracks the five-year inflation trend by media type given the most recent updates. For larger markets – accounting for 90% of global media investment – further insights are provided highlighting aggregated inflation in the last three-year period.

If you would like to discuss our findings and their context in more detail, please get in touch – you can find our contact details at the end of this report.

Photo: Sborisov / iStock

North America

The US economy is currently a mixed picture of caution and optimism. On the one hand, the post-pandemic rebound remains evident. The IMF recently forecast that the US economy would grow by 2.1% in 2024; this is lower than in 2023, but an upgrade versus its previous prediction for 2024 of 1.5% growth. Unemployment remains low, at 4% - although there are signs that hiring has slowed and some believe that it will rise to 5% over the next 12 months.

The US also seems to have brought inflation under control; the OECD's interim outlook predicted US inflation of just 2.2% in 2024 and 2% in 2025. This has opened the way for the Federal Reserve to cut interest rates within months – Federal Reserve chair Jay Powell has indicated that the US central bank will make three quarter-point cuts in 2024.

However, there are reasons to proceed with caution. Several factors, including the possibility of a delayed slowdown, concerns around inflation rising again and issues related to the conflicts in Ukraine and the Middle East could have a negative impact on the economy.

The Canadian economy ended 2023 on a better note than anticipated, bringing economic growth for the entire year to 1.5% according to StatCan. The IMF has forecast that Canadian GDP will grow by 1.4% in 2024, making it the third-fastest growing of what the IMF labels 'advanced' economies (after the US and Spain). These positive notes could allow the Bank of Canada to push back its timetable for cutting interest rates, giving inflation more time to decrease.

HIGHER MEDIA VALUE

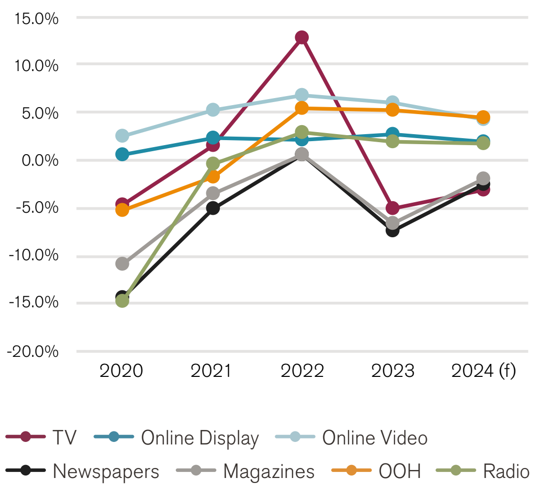
USA

5YT: Following the pandemic-related dip which particularly affected Offline media, there was steady growth in all media up until 2023 when sharp decreases in some TV and Print led to deflation for Offline media.

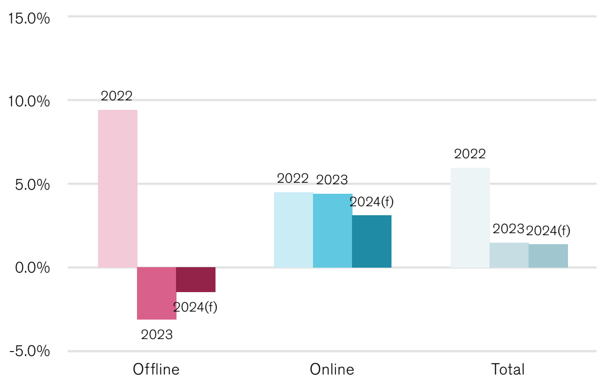
2023: TV fell into deflation due to several factors; a lack of major sporting events, a quiet year on the election front and the Hollywood strikes meant there was less demand for TV advertising. Print also fell into deflation, but other media types remained relatively consistent with previous years.

2024: TV and Print are forecast to remain deflationary, at more or less the same level. Similarly, two other clusters will be apparent; inflation for Online Display and Radio is predicted to fall at a similar rate, while Online Video and OOH are also likely to see a comparable fall in inflation. The contrast between Online and Offline forecasts means overall inflation is projected to fall very slightly.

5-year trend 2020–2024(f)



Offline vs Online



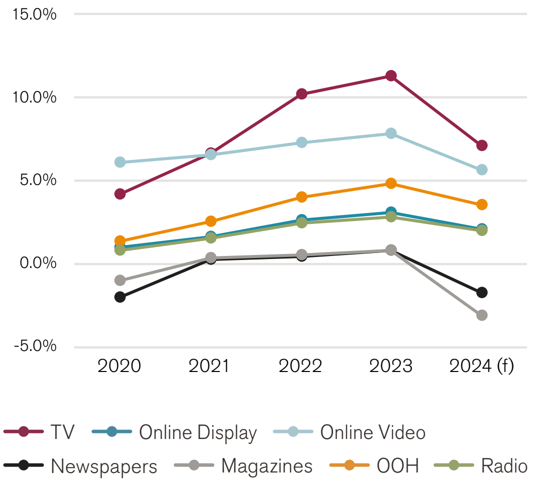
Canada

5YT: After 2021, all forms of media exhibited inflationary trends, experiencing nearly consistent increases and culminating in a peak in 2023, particularly pronounced in TV. Inflation is anticipated to diminish in 2024 across all media, with Newspapers and Magazines even projected to enter deflationary.

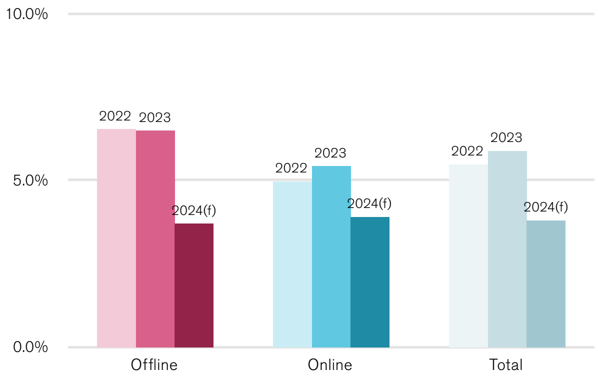
2023: While all media types were inflationary in 2023 and indeed hit their peaks, the rate of growth was less pronounced than in the previous year. TV remained the most inflationary medium, followed by Online Video and OOH.

2024: Overall inflation is forecast to decrease; all media types will see a slowing in inflation, with TV suffering the most significant fall. Despite this decline, all media except Newspapers and Magazines will remain inflationary.

5-year trend 2020–2024(f)



Offline vs Online



Europe, the Middle East and Africa

The Eurozone narrowly avoided a recession – defined as two consecutive quarters of contraction – in the second half of 2023. The region's two largest economies – France and Germany – performed poorly towards the end of last year, with Germany contracting by 0.3% and its westerly neighbour reporting flat growth in the third and fourth quarters. Spain and Italy – the other large Eurozone economies – performed slightly better, with Italy growing by 0.2% in Q4 (having expected to stagnate) and Spain expanding by 0.6%, triple the forecast of 0.2%. The UK's Office for National Statistics announced in February that the country has gone into a recession, having seen negative growth in the second two quarters of 2023. Persistently high inflation and high interest rates have been blamed.

The IMF has downgraded its forecast for growth in the Eurozone to 0.9% in 2024 and 1.7% in 2025. A large part of the weakness is down to Germany, which is looking down the barrel of a recession due to persistent inflation, high energy prices (thanks largely to its reliance on Russian energy) and weak demand for the products it manufactures.

However, France's €60 billion stimulus package is projected to grow by 1.1% in 2024 and Spain's tourism sector, a key driver of its economy, saw a 30% increase in tourist arrivals in the summer of 2023, which it hopes will continue into 2024.

The Middle Eastern economy is forecast to grow by just under 3% in 2024, a significant increase on the estimated 1.8% growth in 2023. Investment will continue to flow into travel and tourism, hospitality and entertainment, manufacturing, mining, technology, transport and the green economy in Saudi Arabia as it works towards fulfilling its Vision 2030 economic diversification strategy.

South Africa's stage 6 load shedding, impacting businesses and households for an average of 10 hours per day, continues to stifle economic activity in the country. The World Bank estimates load shedding costs the economy a staggering $1.2 billion per month, impacting sectors like manufacturing, which saw a 2.6% decline in production in the second quarter of 2023.

Photo: Oscar Nord / Unsplash

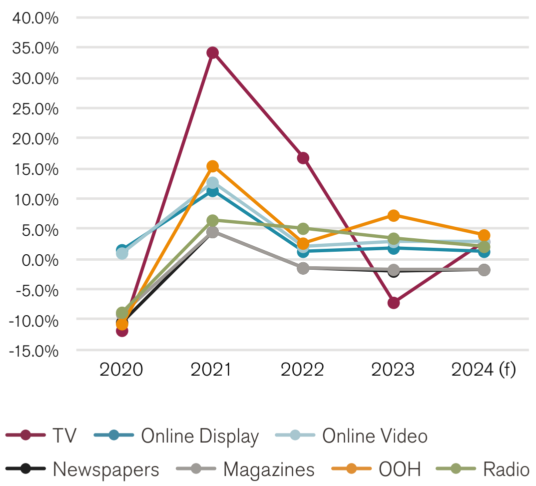
UK

5YT: Most media retained consistent inflation levels across the period after the sharp rise in 2021, notably for TV. Online has varied slightly less than Offline, experiencing only minimal deviations despite the impact of 2020. Contrastingly, Offline depicts a more varied trend due to the significant deviations in TV.

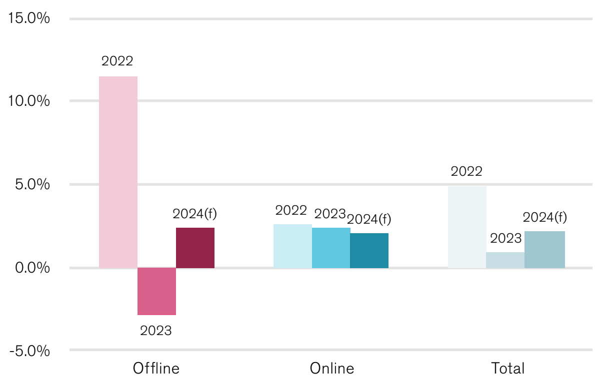
2023: Media inflation remained largely consistent with 2022, with TV inflation continuing to fall and inflation for other media seeing slight deviations. Online decreased marginally, whereas OOH inflation increased from its 2022 level.

2024: TV's recovery from deflation in 2023 is the headline in 2024. Other media are set to experience slight fluctuations as total media inflation is forecast to increase, driven by Offline.

5-year trend 2020–2024(f)



Offline vs Online



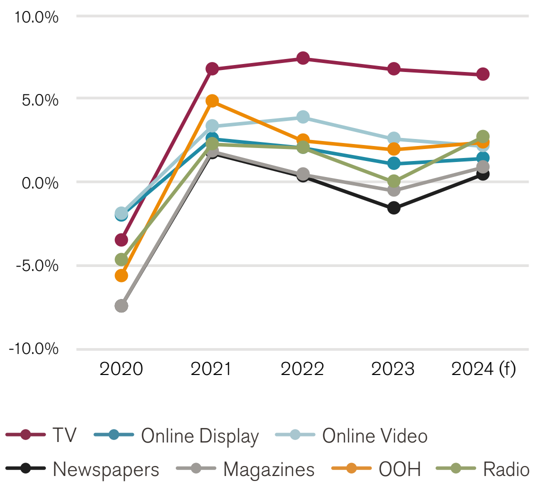
France

5YT: Following the dip in 2020, Online Display and Online Video maintained inflationary positions, while TV enjoyed the highest inflation of all media. The situation for Print and Radio was rockier, with both dipping into or near deflationary territory in 2023 – although they are forecast to recover somewhat in 2024.

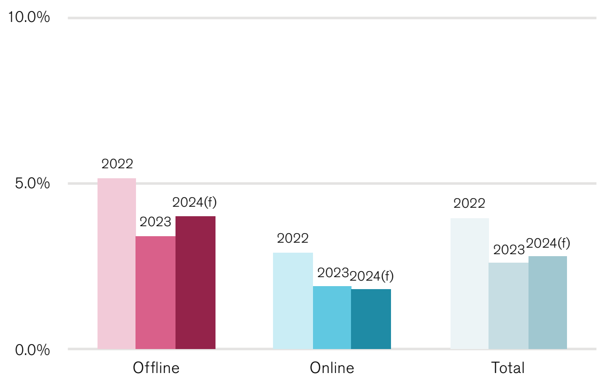
2023: Inflation for non-TV media stayed largely unchanged compared to 2022 levels, while TV dipped slightly – despite remaining higher than other media. Online Video inflation continued to be higher than Display, in line with OOH.

2024: The gap between Online Display and Online Video is predicted to narrow. TV inflation is likely to decrease slightly while Print and Radio are set to begin their recovery trajectory.

5-year trend 2020–2024(f)



Offline vs Online



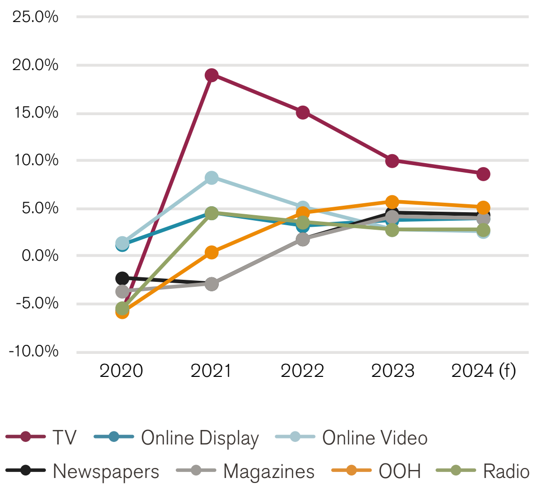
Germany

5YT: Early on in the period, all media types experienced varying levels of inflation. TV experienced high inflation in 2021 whereas Print was deflationary that year. As time has progressed, non-TV media became more clustered together, with TV floating above them. With TV inflation forecast to decrease in 2024, it will start to converge with the other media types.

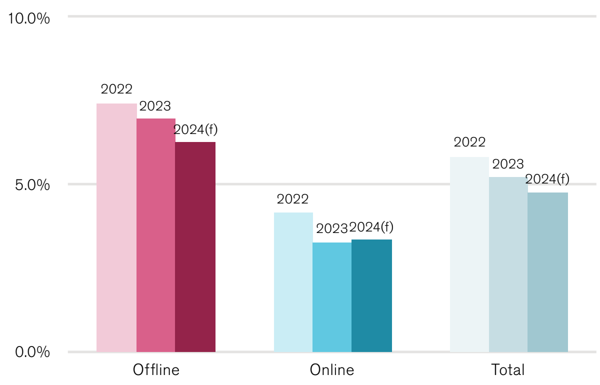
2023: Print and OOH continued their recovery trajectory and were the only media to have higher inflation than in 2022. TV continued its downward trend towards the other media types, whilst still maintaining its higher inflation rate.

2024: The media inflation forecast for 2024 is similar to 2023, with all non-TV media inflation remaining between 0% and 5%. TV is set to remain on its downward trajectory from its 2021 high.

5-year trend 2020–2024(f)



Offline vs Online



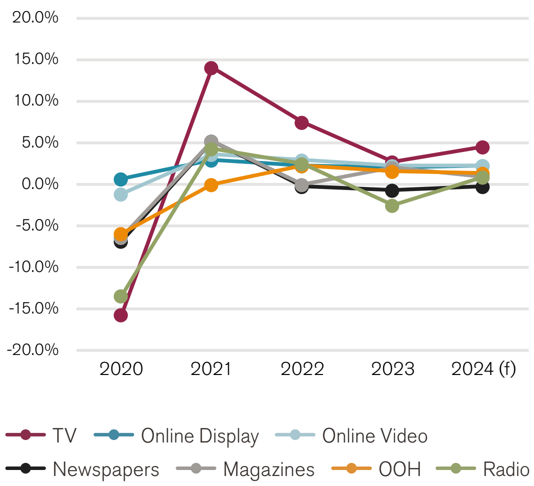
Italy

5YT: TV and Radio took the heaviest hit in 2020; Online was more resilient and has retained a steady rate of inflation since. TV has been more volatile, spiking in 2021 before falling again in 2022 and 2023.

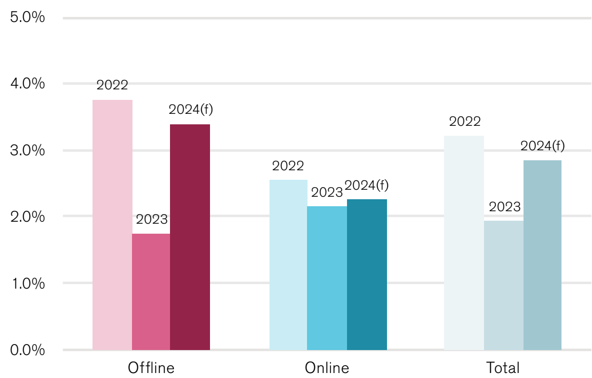
2023: TV and Print maintained their downward trend from 2022; Print tumbled further into deflation while TV joined the cluster of other media types which have retained single-digit inflationary positions.

2024: TV inflation is set to rise after decreasing in 2022 and 2023. All other media types are forecast to converge at flat or low inflation. Both Offline and Online are expected to be inflationary; the anticipated rises in TV and Radio will contribute to significantly higher inflation for Offline than Online.

5-year trend 2020–2024(f)



Offline vs Online



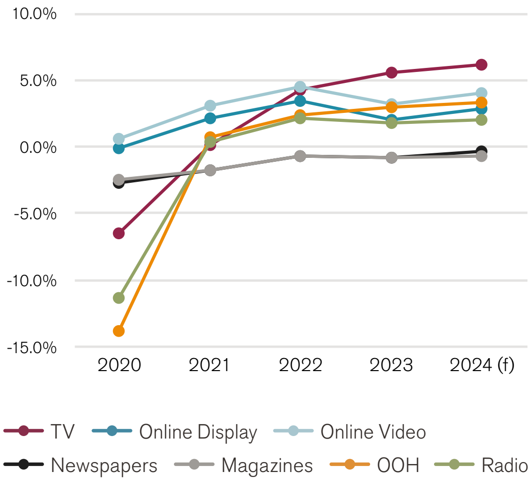
Spain

5YT: As a consequence of the large dips in 2020, TV, OOH and Radio have sustained the most significant shifts across the five-year period, finishing it in inflationary positions. In contrast, Print has remained in a deflationary position from which it is yet to recover, while Online has been more stable.

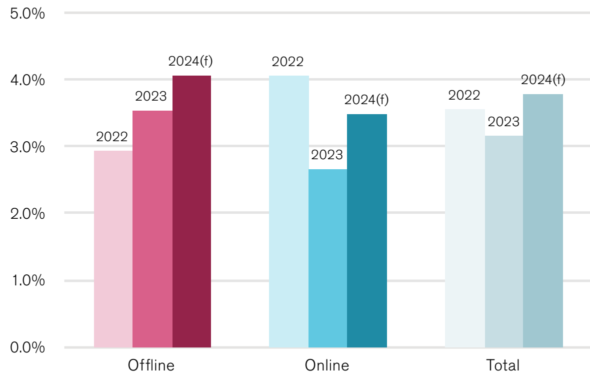
2023: TV continued its inflationary growth from 2022. Online took a different approach, with Display and Video both experiencing decreasing inflation. Print remained almost unchanged from 2022, and other media fluctuated slightly.

2024: Most media types are forecast to see little change from their 2023 inflation levels. OOH will increase slightly, while Online inflation will decrease. Print will remain deflationary. Magazines is the only media expected to have lower inflation than in 2023. Overall inflation is forecast to rise beyond 2022 and 2023 levels.

5-year trend 2020–2024(f)



Offline vs online



Nordics

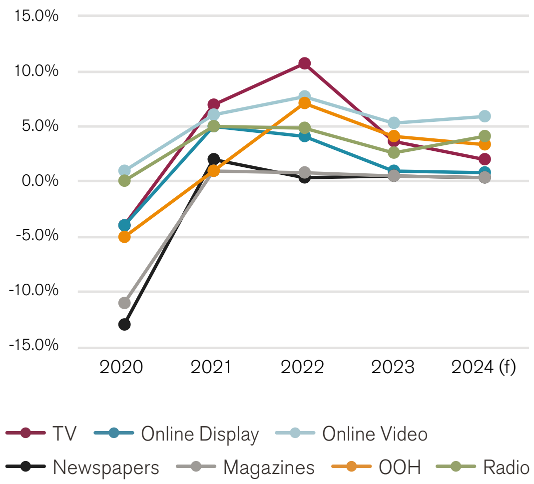
5YT: Media inflation suffered a fall across the world in 2020 and the Nordics were no exception, with Offline decreasing the most. However, all media types across the four countries have since bounced back and are expected to be inflationary in 2024.

2023: In Denmark, inflation rates declined for all media except Newspapers. Media inflation in Finland continued its upward trend and in Norway, barring TV, it maintained a similar position. There were deflationary movements for all media types in Sweden.

2024: Noteworthily in Denmark, inflation rates are forecast to decline in TV, OOH and, marginally, Online Display. Danish Online Video inflation is forecast to increase. Media inflation in Finland will fall except in Online Video and OOH, the latter of which has been on the rise since 2021. Norwegian media inflation will continue its downward trend for most media, predominantly Online. Sweden is predicted to remain fairly stable in line with 2023 figures, with notable increases from OOH and Radio.

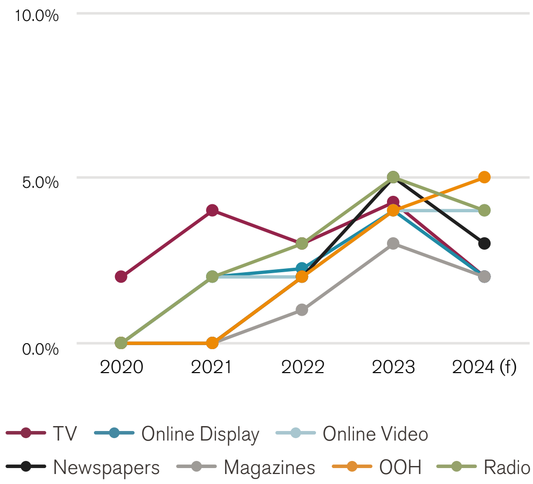
Denmark

5-year trend 2020–2024(f)



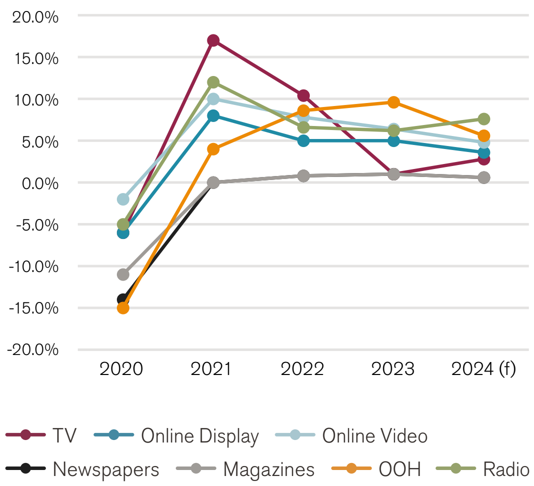
Finland

5-year trend 2020–2024(f)



Norway

5-year trend 2020–2024(f)



Sweden

5-year trend 2020–2024(f)

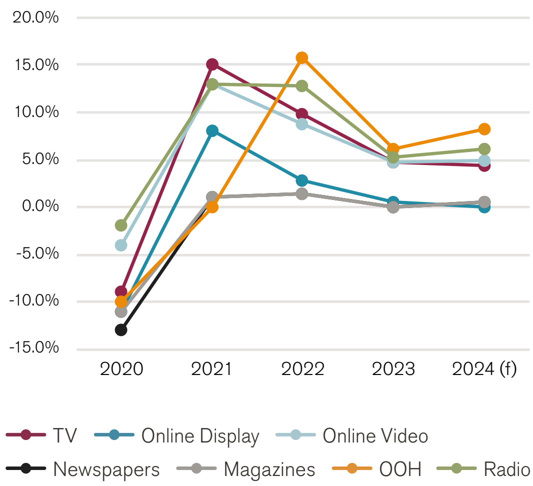


Photo: Jonathanfilskov-photography / iStock

(D)ACH

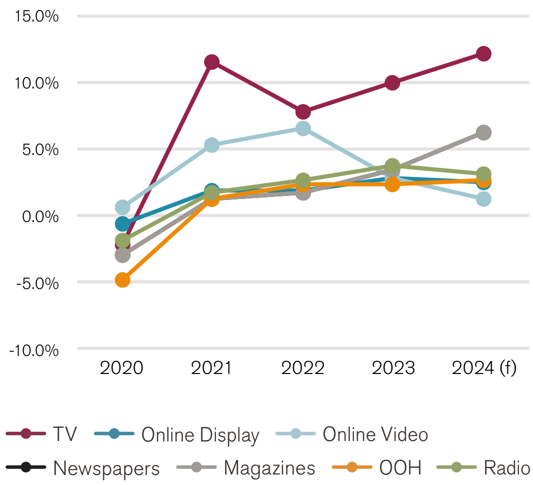
Austria

5YT: Offline media took the heaviest hit in 2020, whereas Online was comparatively more resilient. There have been signs of recovery over the following years, for some media more than others. However, all media types bounced back to inflationary positions in 2021 – positions that they are set to maintain going forward.

2023: TV inflation rose to double digits, while Online Video fell after steady increases over a couple of years. Print continued its upward trajectory, exceeding Online.

2024: TV inflation is expected to rise even higher, surpassing 2021 highs, while Online Display and Online Video will continue their downward trajectories.

5-year trend 2020–2024(f)



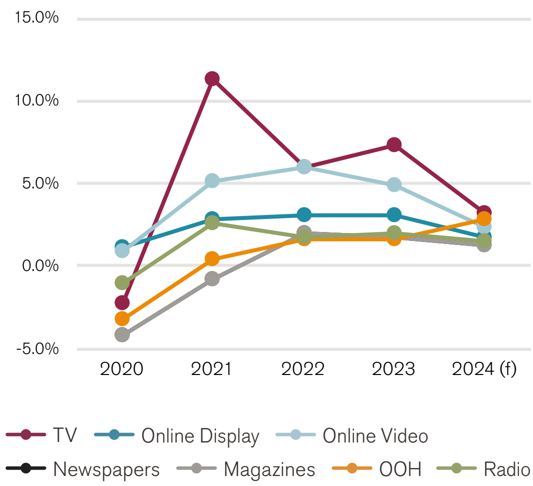
Switzerland

5YT: All media experienced rising inflation in 2021, recovering from the shocks in 2020. Online Display saw minimal deviations across the period, but fluctuations for TV were sharper.

2023: Inflation for most media types was largely consistent with 2022 levels. TV and Online Video saw the largest discrepancies.

2024: TV is expected to see a dip versus its 2023 positioning, as will both Online media, albeit not as sharply. OOH is the only medium forecast to experience higher inflation than in 2023. Print is forecast to see only marginal shifts and will retain its position at the bottom of the graph.

5-year trend 2020–2024(f)



Bene(lux)

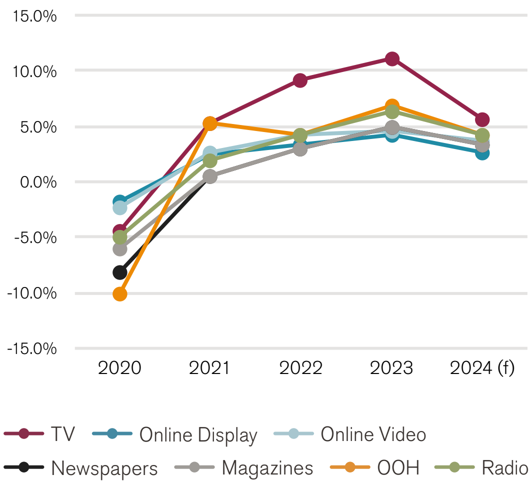
Belgium

5YT: All media types followed a consistent trend across the period, with deflationary positions in 2020 followed by sharp increases in 2021. This upward trajectory persisted into 2022, albeit at a slower pace, before peaking in 2023 - particularly TV. A correction is anticipated across all media types in 2024.

2023: All media continued on trajectories established in 2022, reaching inflationary peaks in 2023. TV saw a notable deviation from the other media types, reaching inflation of more than 10%.

2024: All media are forecast to see decreased inflation, with TV expected to undergo a more pronounced adjustment, aligning it more closely with the other media types.

5-year trend 2020–2024(f)



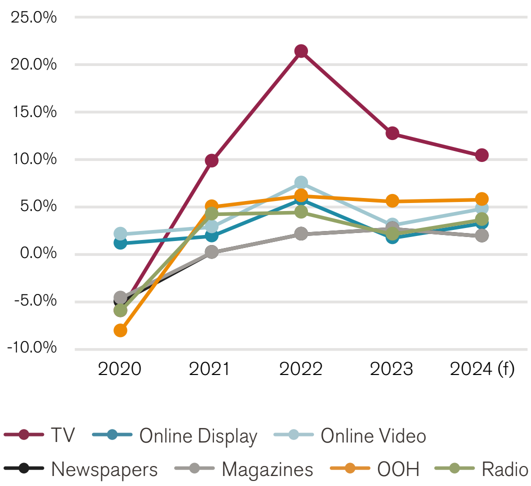
Netherlands

5YT: Offline media has mostly been on a recovery trajectory after the shocks of 2020, when they were all deflationary. TV inflation has experienced significant fluctuations, while Online has remained mostly stable. OOH and Radio saw a large spike in 2021, recovering from pandemic lows.

2023: TV and Online inflation was higher than in 2022, as was Radio, although to a lesser extent. Print and OOH remained consistent with 2022.

2024: TV is expected to continue its downward trend from 2022 peaks, while Online and Radio are suggesting increased inflation versus 2023. Print is forecast to dip marginally.

5-year trend 2020–2024(f)



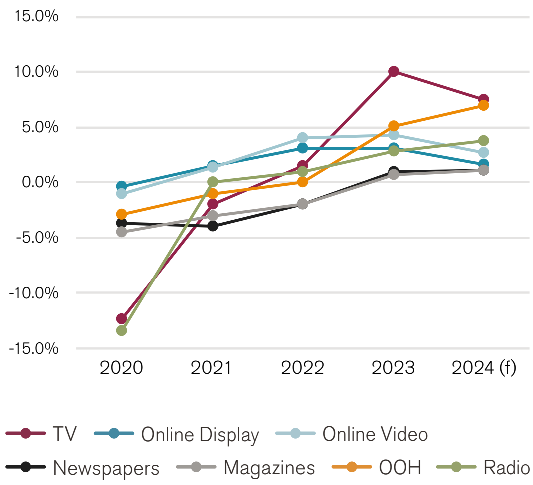
Portugal

5YT: All media began the period in deflation, with TV and Radio inflation suffering most from the significant shocks of 2020. Recovery has ensued in the years since, with Online the most consistent and often with the highest inflation.

2023: Online media inflation was steadier than in 2022. Inflation for all Offline media types increased to sustain year-on-year growth since 2021.

2024: TV and Online are forecast to see a decrease in inflation for the first time in the period, while the remaining media types are anticipated to reach new five-year highs.

5-year trend 2020–2024(f)



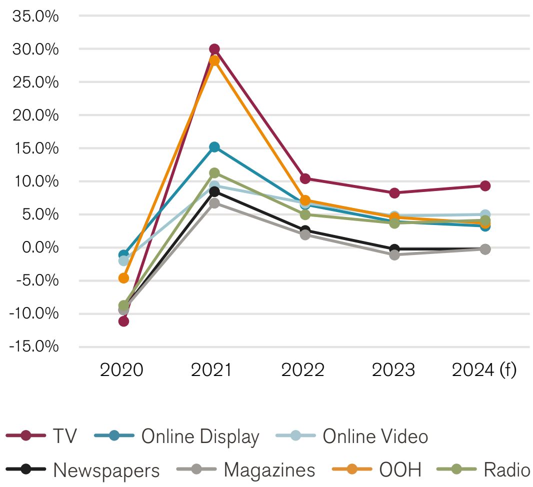
Ireland

5YT: Inflation for all media types spiked after the shocks of 2020, peaking in 2021. TV and OOH saw inflation of around 30%. There were sharp decreases in 2022, and most media types stabilized at more 'normal' levels in 2023.

2023: After the sharp decrease in 2022, inflation continued to decline in 2023 for all media, although at a considerably slower rate. TV maintained the highest inflation rate, hovering at around 8%, while Newspapers and Magazines became deflationary.

2024: Inflation is forecast to remain relatively stable across all media in 2024, with only a slight increase expected for some, such as TV and Magazines, while others, like Online Display and OOH, are anticipated to experience a small decrease.

5-year trend 2020–2024(f)



Central Europe

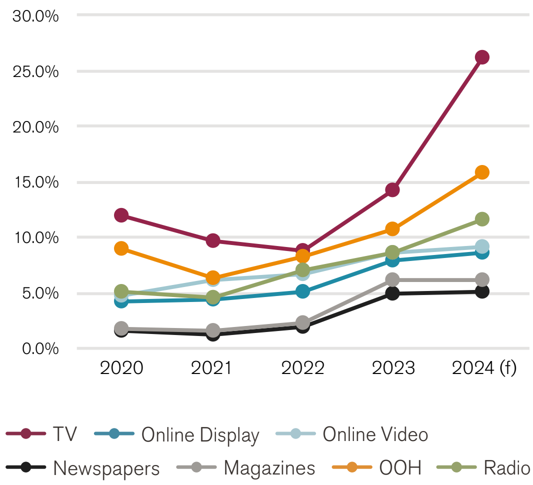
Hungary

5YT: The shocks of 2020 resulted in falling inflation for all media, except Online which saw slight increases. Recovery signs were more noticeable in 2021 for most non-TV inflation, but TV continued to fall from its 2020 peak until 2022; in 2023 it started on a sharp upwards trajectory.

2023: Media inflation decreased for all media. TV retained the highest inflation, slightly ahead of OOH. Print remained more or less consistent with 2021 and 2022 levels.

2024: TV is anticipated to inflate by more than 10%, creating a new five-year peak. OOH and Radio will show slower gradient increases, whilst the other media types are set to remain consistent with 2023 levels.

5-year trend 2020–2024(f)



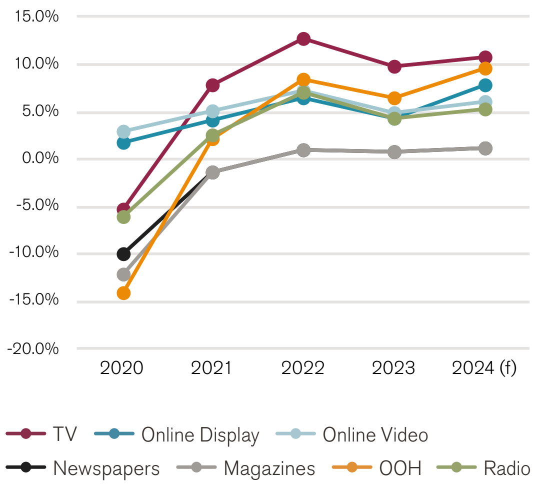
Poland

5YT: Although Online inflation was less affected by the shocks of 2020 than Offline, most media shadowed a similar trend throughout the period. There were recovery signs in the ensuing years, with new peaks predicted for 2024.

2023: Media inflation decreased for all media. TV retained the highest inflation, slightly ahead of OOH. Print remained consistent with 2021 and 2022 levels.

2024: All media is forecast to increase, with TV retaining its title of most inflationary media type. Most media, including OOH, Online Display and Print, will experience new five-year highs.

5-year trend 2020–2024(f)



Baltics

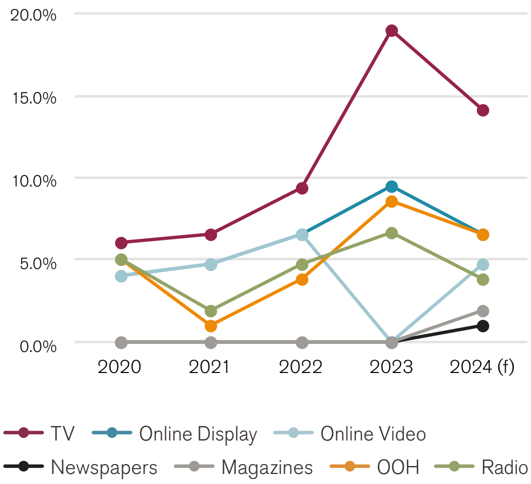
5YT: Inflation was highly volatile in all three markets across the period, as a result of the post-pandemic recovery.

2023: In Estonia, inflation for several media types increased compared to the previous period - only Online Video fell, while Print remained consistent with 2022. In Lithuania and Latvia, Online inflation fell significantly.

2024: TV and Online Display inflation is expected to fall in all markets. In Estonia, all media types that saw an increase in 2023 are forecast to fall back down, while Online Video and Print will climb above their 2023 positioning. A similar story is seen in Latvia and Lithuania, where OOH and Radio are forecast to fall, while Print is set to increase.

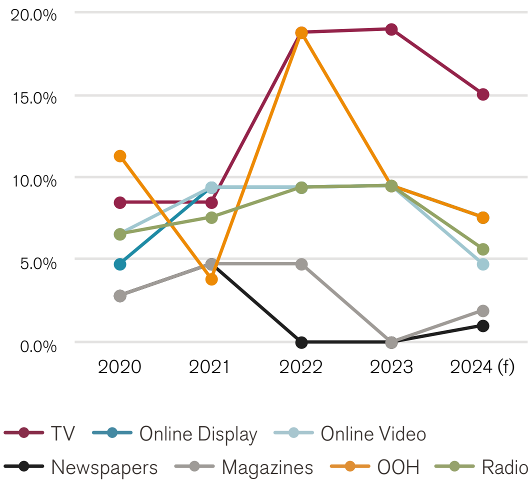
Estonia

5-year trend 2020–2024(f)



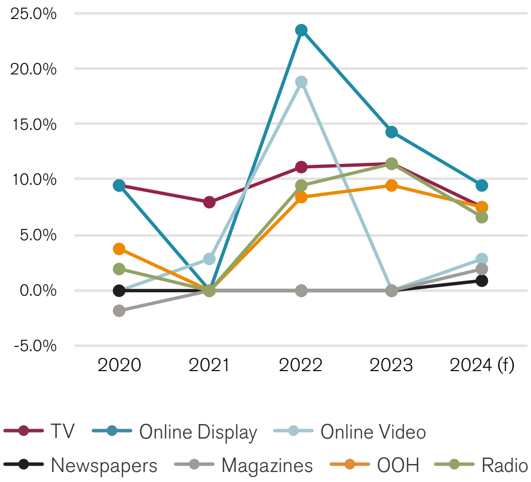
Latvia

5-year trend 2020–2024(f)



Lithuania

5-year trend 2020–2024(f)



CIS

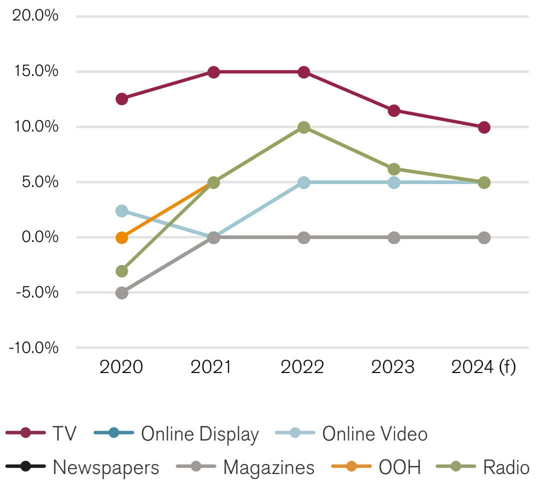
5YT: Double-digit inflation was common across all four countries in varying media types. TV saw the highest inflation in all countries except Kyrgyzstan, where Online Video and OOH prevailed.

2023: Consumer market growth coupled with declining viewership figures led to unprecedented highs in TV inflation in Uzbekistan. Elsewhere in the region, Print and Radio remained consistent with 2022 levels, as did Online media in Azerbaijan and Kazakhstan. Online increased in Uzbekistan but fell in Kyrgyzstan.

2024: 2024 estimates are mostly stable in Azerbaijan and Kyrgyzstan, with no notable fluctuations forecast. However, TV in Kazakhstan and especially Uzbekistan is more volatile, with an upward shift in the former and a significant fall in the latter.

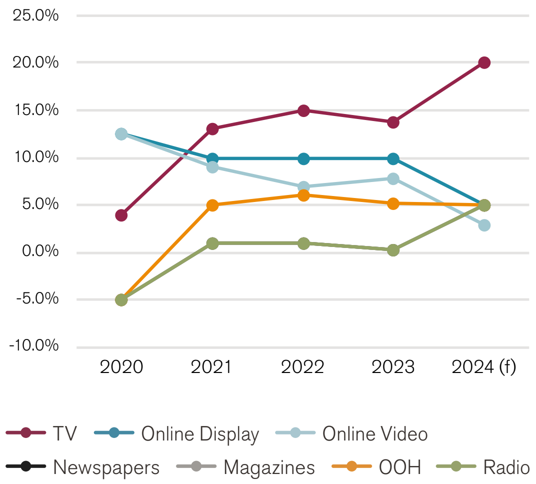
Azerbaijan

5-year trend 2020–2024(f)



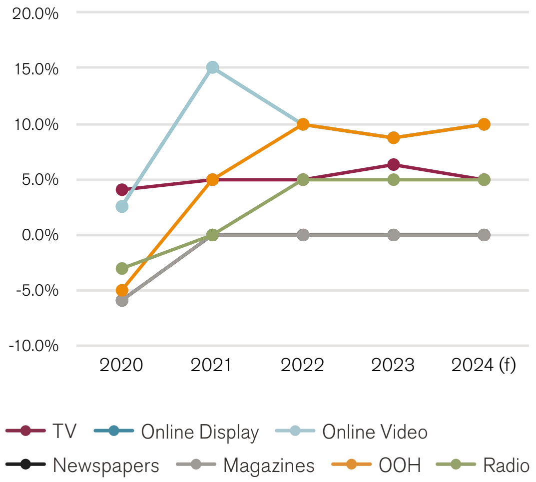
Kazakhstan

5-year trend 2020–2024(f)



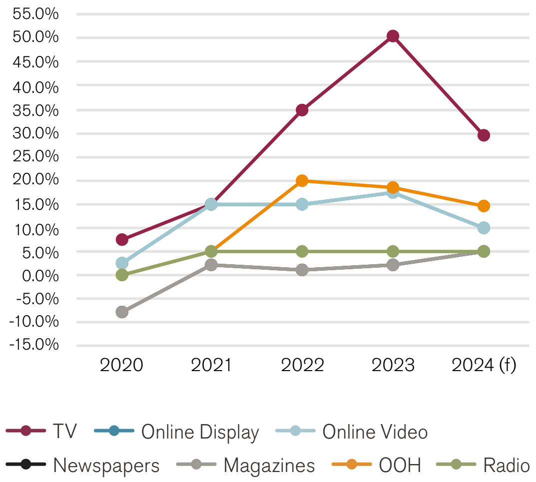
Kyrgyzstan

5-year trend 2020–2024(f)



Uzbekistan

5-year trend 2020–2024(f)



Middle East & Africa

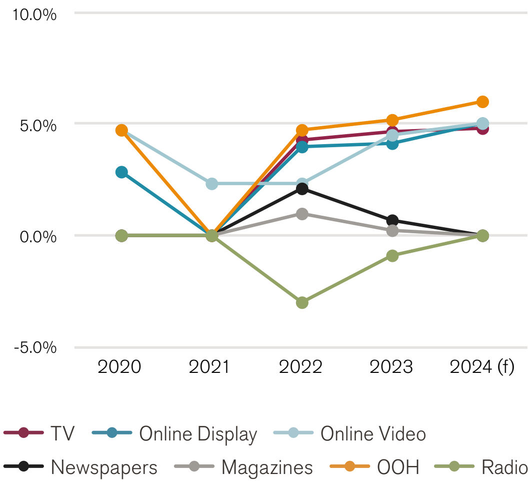
5YT: Media inflation in South Africa has been volatile across the period, with Magazines experiencing over 25% inflation in 2020 and Online Display sinking into significant deflation the same year. It was more stable in the UAE and Saudi Arabia with TV, Online and OOH maintaining their year-on-year increases since 2022.

2023: TV inflation in South Africa was lower than in 2022, stemming from the electricity blackouts which caused airtime issues. Media inflation in both Saudi Arabia and the UAE was consistent with 2022 positions - inflationary in all media except Radio.

2024: In South Africa, TV is anticipated to see the biggest change, with a significant drop due to the ongoing load shedding. However, all media are expected to retain their inflationary positions. Similarly, all media types in the UAE and Saudi Arabia are expected to be inflationary, with Radio rising out of deflation.

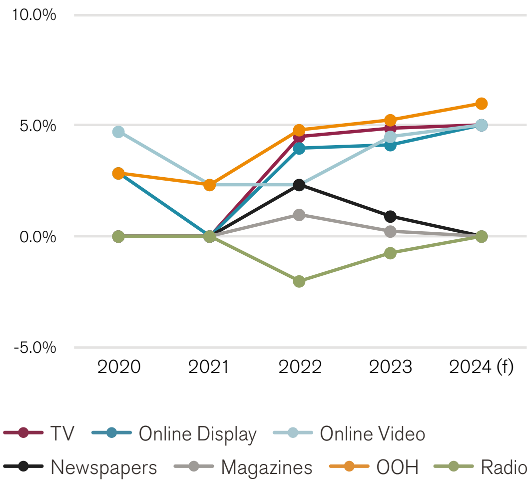
Saudi Arabia

5-year trend 2020–2024(f)



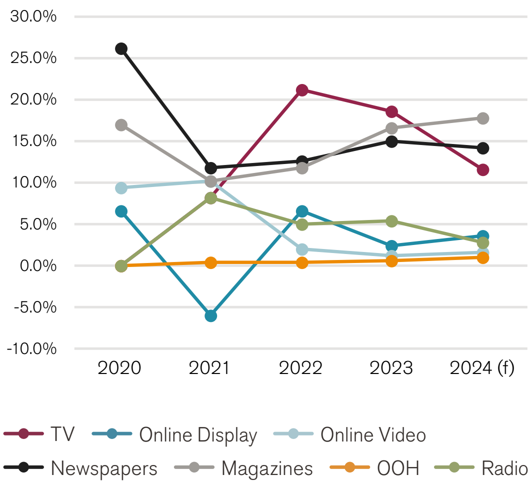
UAE

5-year trend 2020–2024(f)



South Africa

5-year trend 2020–2024(f)



Asia Pacific

The IMF estimates that Asia's economy grew by 4.7% in 2023, and upgraded its 2024 forecast from 4.2% in October to 4.5% in January. The IMF cited increased demand for technology which bodes well for Korea and Singapore, while China and Thailand have announced sizable policy stimulus. Asia is on track to deliver two thirds of global growth in 2024, as it did in 2023.

China has grappled with both internal and external challenges as property sales plummeted 31.5% in 2023, impacting construction, financial institutions and local governments. Geopolitical tensions with the US remain. However, there are strong anchors in domestic consumption growth as rising incomes and the ecommerce boom fuel retail sales growth, projected at 8.5% and strategic investments, such as the $1.4 trillion Belt and Road Initiative, offer a brighter outlook to 2024. The IMF forecasts that the world's second largest economy will continue to decline over the next four years as it deals with challenges from a rapidly aging population, increasing unemployment and its property crisis; it forecast that Chinese economic growth would drop to 4.6% in 2024 – down from 5.2% in 2023 – and to 3.4% by 2028.

The region's other powerhouse is India, which in April of last year overtook China to become the world's most populous country. Its young population is fueling a booming domestic market and a vibrant technology sector. However, the economy continues to be hindered by high inflation (which exceeded 7% in December 2023) and a $1.5trn deficit in infrastructure investment. That said, India's growth is still impressive compared to that of more advanced economies: the OECD forecasts that its economy will grow by 6.3% in 2024 and 6.5% in 2025.

Photo: Su San Lee E / Unsplash

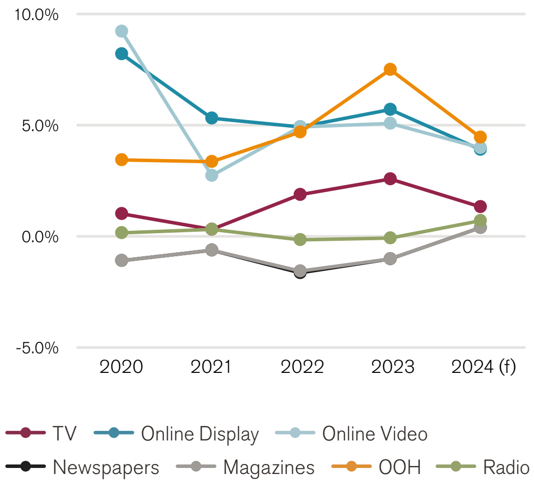
China

5YT: Offline media remained mostly stable throughout the period, except for OOH which peaked in 2023. Online spiked in 2020 but began to restabilize and has been fairly stable since 2022.

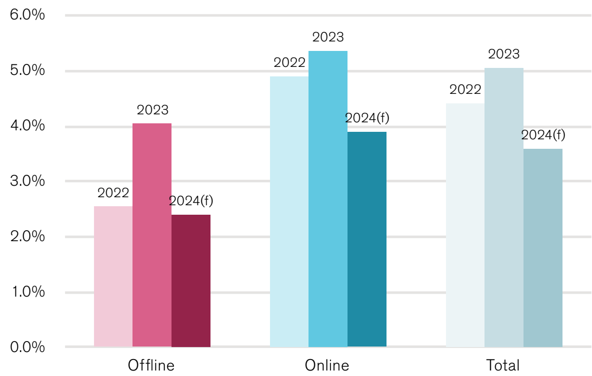
2023: There were minimal upward shifts across most media versus 2022 positions; the exceptions were OOH which saw a more pronounced increase, and Radio, which was flat.

2024: TV, Online and OOH are forecast to see declining inflation compared to 2023, while Print and Radio will both lift out of deflation to low inflation.

5-year trend 2020–2024(f)



Offline vs Online



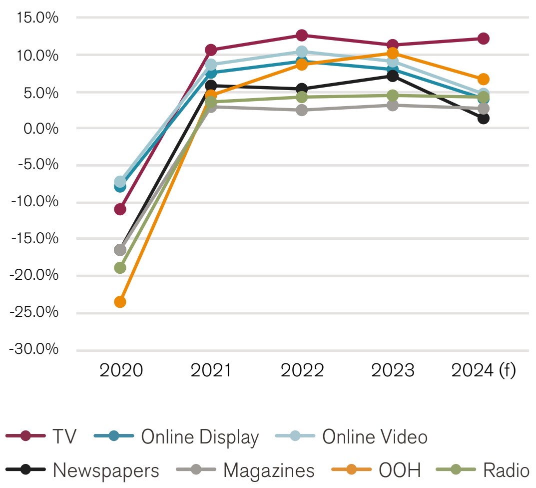
India

5YT: Following a tumble into deflation in 2020, all media types have since returned to inflationary positions, which have remained fairly consistent. No media type varied by more than 5% in the years following 2020.

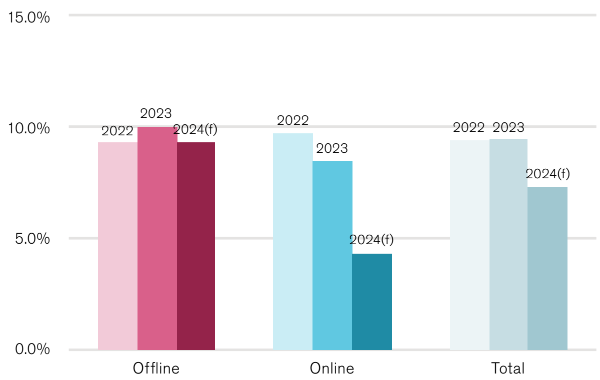
2023: Both TV and Online inflation fell slightly from their 2022 levels, and all other media increased, albeit not by a significant amount.

2024: TV inflation is expected to retain its lead position, with a slight increase versus its 2023 level. Inflation for all other media is predicted to fall, with significant changes for Newspapers and Online.

5-year trend 2020–2024(f)



Offline vs Online



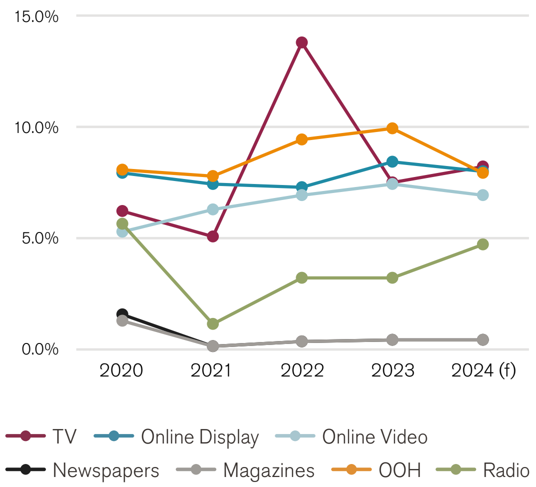
Indonesia

5YT: A decline in media inflation across all media types was evident in the period to 2021, when inflation rates either started to increase or stayed consistent with levels in previous years.

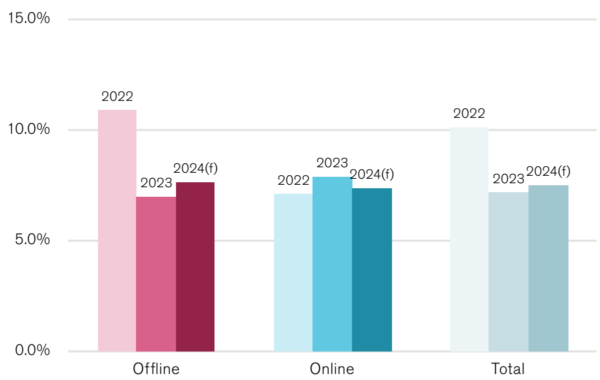
2023: TV inflation fell from its 2022 high back in line with other media types. Non-TV media remained relatively consistent with 2022 levels, with only slight movements either way.

2024: TV inflation is forecast to rise following its sharp fall in 2023, and become the most inflationary medium, creating a cluster with Online Display and OOH. Print is set to remain similar with previous year levels but now faces the risk of deflation as it tends towards 0%. However, the overriding impression is that Offline inflation is predicted to rise whereas Online will fall.

5-year trend 2020–2024(f)



Offline vs Online



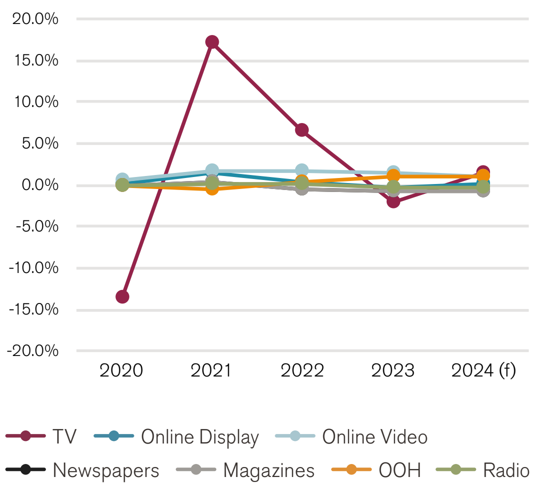
Japan

5YT: Media inflation stayed consistent for most media types throughout the period, remaining within 2% either side of 0. The exception is TV; after a significant dip in 2020 and subsequent spike in 2021, TV inflation began to behave in a similar manner to other media types from 2022.

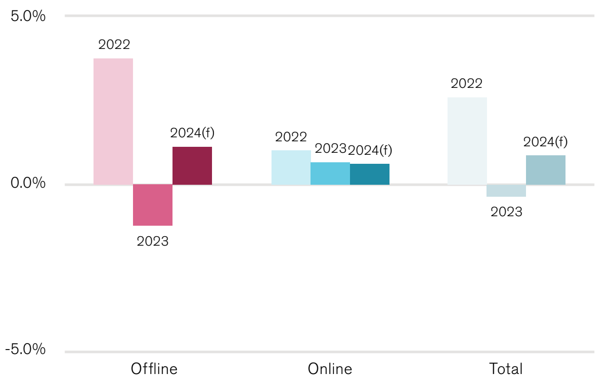
2023: TV inflation fell below the cluster of other media types, which converged at or around zero. OOH and Online Video were the only two media to retain their inflationary positions, with the latter being the highest.

2024: Both TV and Online Display inflation are projected to become inflationary following a spell in deflationary territory in 2023, but Online Video inflation is set to fall. The other media types are anticipated to vary slightly; overall inflation is set to shift from deflationary in 2023 to inflationary this year.

5-year trend 2020–2024(f)



Offline vs Online



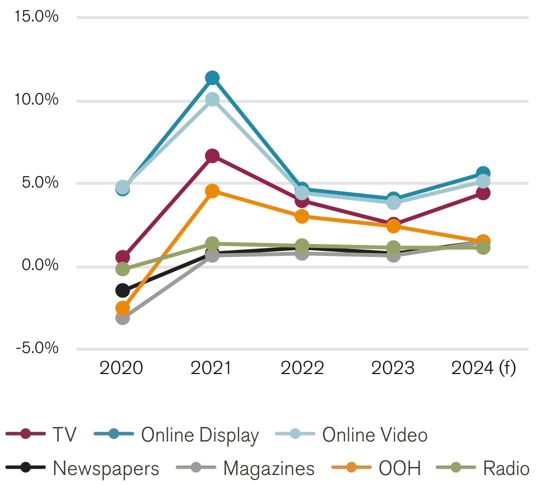
South Korea

5YT: Inflation for all Offline media has followed a similar trajectory but at lower levels than Online. Online peaked in 2021 but has since returned to previous levels.

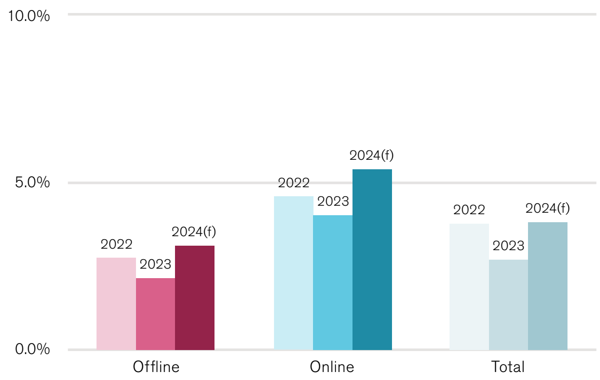
2023: All media types experienced a very small drop in inflation. TV saw the most significant downward shift, but remained inflationary. Online Display and Online Video retained their positions as the media types with the highest inflation.

2024: Predictions for 2024 are similar to 2023: TV is set to join a cluster with both Online media, while OOH's downward shift will bring it in line with Radio and Print. The overall market picture is expected to be inflationary, with overall inflation set to increase versus 2023.

5-year trend 2020–2024(f)



Offline vs Online



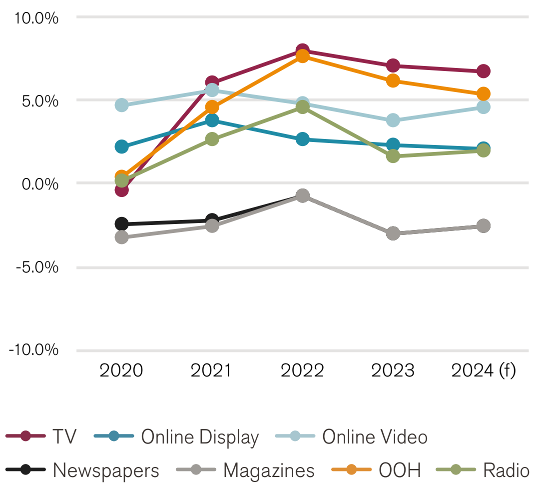
Australia

5YT: Australia managed the effects of the pandemic relatively successfully, with the result that all media types maintained fairly consistent inflation over the following years. Only both Print media suffered sluggish recoveries.

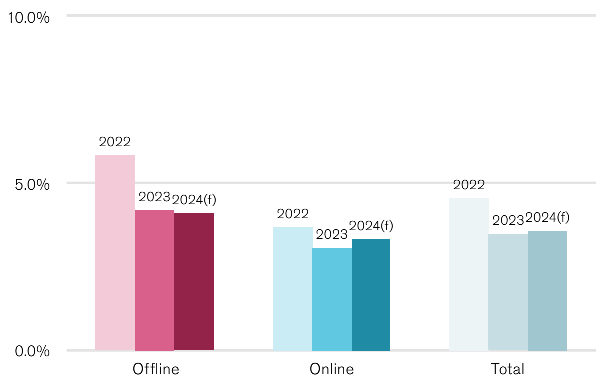
2023: All media displayed only minimal changes to their 2022 inflation levels, with slightly more prominent shifts seen in Print and Radio. TV and OOH dropped slightly but still retained the highest inflation; Online inflation decreased as well. Newspapers and Magazines remained the only deflationary media types.

2024: 2024 predictions are not dissimilar to 2023 levels. Radio and Online Display are set to converge, and all other media will retain their relative positions. Total inflation is forecast to rise only marginally, with Offline falling slightly and Online rising slightly.

5-year trend 2020–2024(f)



Offline vs Online



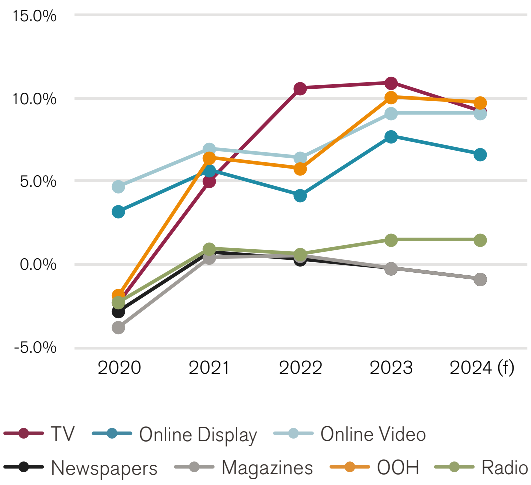
Hong Kong

5YT: All Offline media inflation fell into deflation in 2020, but Online remained inflationary. In the years since, TV and OOH rallied back to inflationary positions quite quickly, while other Offline media have also recovered, although more slowly.

2023: TV inflation shifted only marginally versus 2022 levels, while Online and OOH inflation saw sharp increases on 2022 levels. Print hovered around the 0% line.

2024: Forecasts for this year indicate media inflation will remain fairly consistent with 2023 levels, with the exception of Print which is set to fall info deflation.

5-year trend 2020–2024(f)



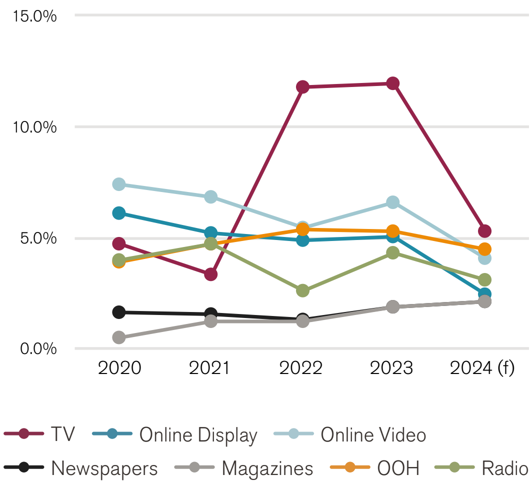
Malaysia

5YT: Inflation for all media was on a downward trajectory across the period, with the notable exception of TV, which saw a sharp spike in 2022 and maintained it in 2023. It is forecast to fall back in line with the other media types in 2024.

2023: TV inflation was relatively unchanged from the high levels seen in 2022, while Online Video and Radio inflation also increased. The other media types saw very minimal shifts.

2024: TV is projected to experience a sharp decrease back to levels more consistent with earlier in the five-year period. The key story of 2024 for Malaysian media is decreasing inflation, which will occur for all media except Print.

5-year trend 2020–2024(f)



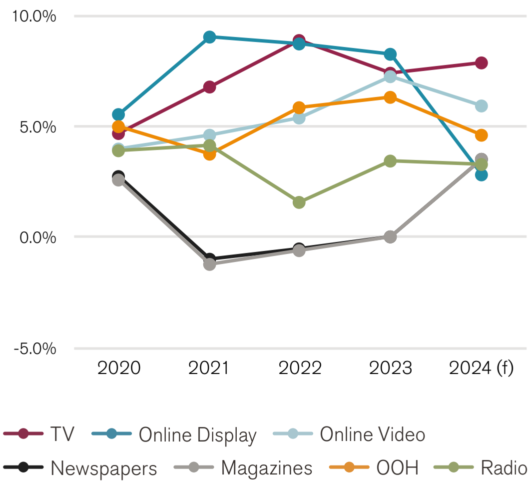
Philippines

5YT: TV inflation has increased steadily over the period, while Online Display experienced an overarching curve. OOH inflation remained consistently at around 5%, and Print recovered from its deflationary positioning in 2021 and 2022.

2023: Divergence from the cluster of 2020 continued into 2023, as TV and Online saw the highest inflation rates, followed closely by OOH. Print and Radio experienced rising inflation rates, bringing the former out of deflation.

2024: Online inflation is forecast to decrease, notably Online Display which will drop sharply from having the highest level of inflation to the lowest. Print inflation is expected to rise sufficiently to be on a level with most other media types.

5-year trend 2020–2024(f)



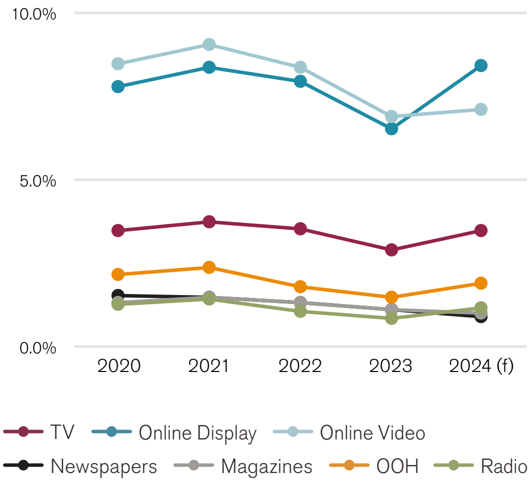
Singapore

5YT: The five-year period in Singapore has been distinguished by a marked lack of volatility for all media types. All were remarkably resilient to the impact of the pandemic, and there has been little variation over the following few years, especially for Offline.

2023: In a continuation of the 2022 trend, inflation for all media types continued on a gentle downward slope. Online inflation retained its leading position.

2024: 2024 is set to be a year of rising inflation as all non-Print media are forecast to see an increase in inflation. Online Display is forecast to have the sharpest rise in inflation, overtaking Online Video for the first time in the five-year period.

5-year trend 2020–2024(f)



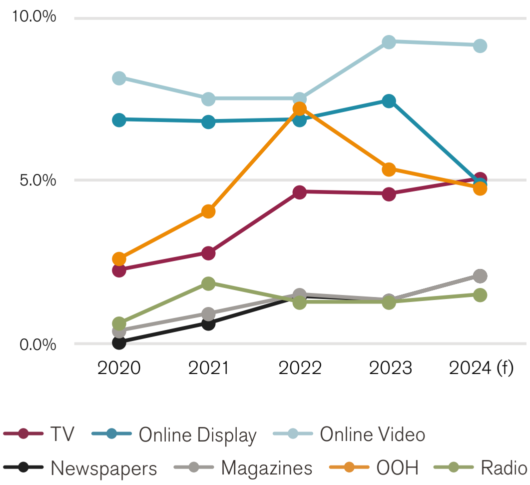
Taiwan

5YT: Online saw the highest inflation levels for most years in the period. The effect of the pandemic was lower than in many other countries, and all media have retained an inflationary position throughout the five years

2023: Online Video inflation rose to its highest level in 2023, while OOH fell from its 2022 peak. The other media types remained fairly consistent with 2022 levels.

2024: Online Display inflation is forecast to drop from its 2023 position, while Online Video will retain its prominent position. All other media are forecast to see only minimal shifts compared to 2023.

5-year trend 2020–2024(f)



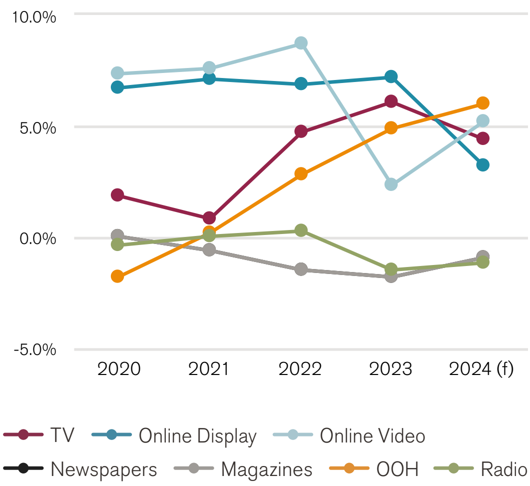
Thailand

5YT: Online has seen the highest inflation throughout most of the period. All media types experienced some fluctuation, except OOH which maintained a steady upward trajectory.

2023: Online Video, which had the highest inflation in 2022, suffered the heaviest drop in 2023. TV, OOH and Online Display all saw an increase in inflation, with the latter overtaking Online Video to have the highest inflation levels of any medium. Print fell slightly further into deflation.

2024: Online Display, the most inflationary medium in 2023, is forecast to drop significantly in 2024. OOH will continue its upward trajectory, becoming the medium with the highest inflation.

5-year trend 2020–2024(f)



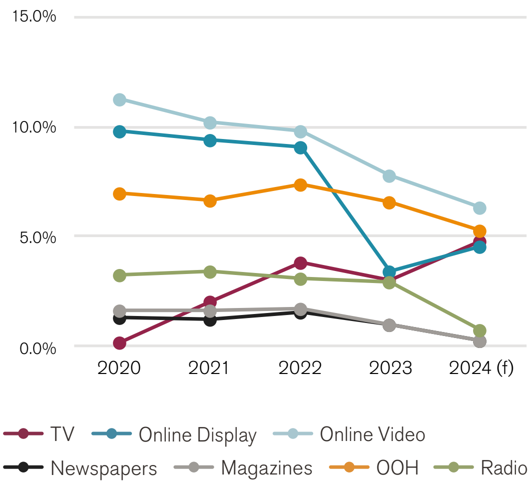
Vietnam

5YT: Except for TV, most media types experienced a downward trajectory in inflation levels across the period. Online and OOH enjoyed the highest inflation over the five years.

2023: After reaching a peak in 2022, inflation for all media types decreased to some degree, particularly Online Display.

2024: After an uncharacteristic drop in 2023, TV is forecast to continue its upward inflationary trend, and Online Display is also forecast to start its recovery from its 2023 trough. However, most other media are expected to see lower inflation.

5-year trend 2020–2024(f)



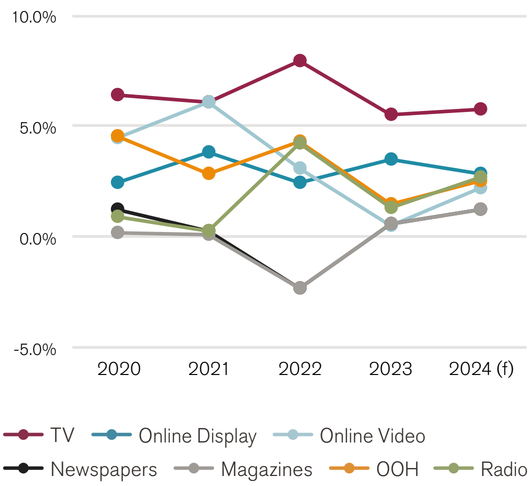
New Zealand

5YT: New Zealand's relatively efficient handling of the pandemic meant that media inflation was not as volatile here as in much of the rest of the world in 2020. Online Display has more or less maintained this stability, while the other media types have been more changeable.

2023: 2023 was a volatile year for inflation with changes of at least 2% in most media. Print rose out of its deflationary position and TV retained its position as the highest media inflation despite its decrease.

2024: Online Video is expected to experience increased inflation for the first time since 2020. All non-TV media are projected to cluster between 5% and 10%.

5-year trend 2020–2024(f)



Latin America

The Latin American region is expected to experience a slower economic growth compared to 2023, with estimates ranging from 2.0% to 2.5%. This slowdown is attributed to various factors depending on the country, including global headwinds, domestic challenges, unemployment, inflation (notably in Argentina), trade disruptions and political instability in some countries.

Although it will likely decline gradually compared to 2023, inflation remains a significant concern. Argentina is a major outlier, with inflation soaring to 211.4%, the highest in 32 years. The country has experienced a series of shock measures, including a 50% devaluation of the nation's currency, implemented by recently elected President Javier Milei in hopes of eventually bringing the country's roaring inflation under control.

After stronger growth than expected in 2023, Brazil's economy is expected to cool in 2024, growing by 1.6% according to the median forecast of 50 economists surveyed in January. Brazilian inflation rates eased slightly to 4.62% in December of 2023 from 4.68% in the previous month, overshooting market expectations but within target.

Mexican growth in 2023 is estimated to have been at around 3.1% in 2023, with a Mexican finance minister forecasting that it would grow between 2.5% and 3.5% in 2024. Mexico has a track record of exceeding growth forecasts; 2023 was the third consecutive year in which it outpaced early-year forecasts, and it has sustained annual growth of between 3% and 4% since the pandemic. Inflation is on a par with Brazil's, at 4.66% by the end of 2023, but interest rates are high, reaching 11.4%.

Central banks across the region are likely to maintain cautious stances, keeping interest rates relatively high in the first half of 2024. However, as inflation eases, some easing of monetary policy might occur in the latter half of the year.

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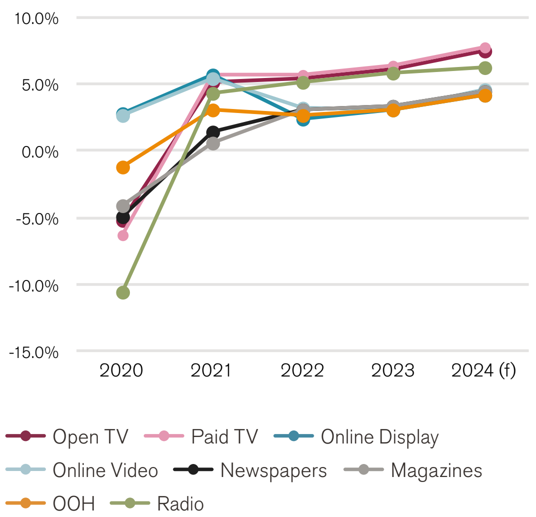
Brazil

5YT: After the shocks of 2020, all media types converged to create a similar pattern throughout the period. Both Online media types were largely unaffected by events of 2020 and as such remained relatively consistent. Offline media made a quick recovery and maintained its inflationary position from 2021 onwards.

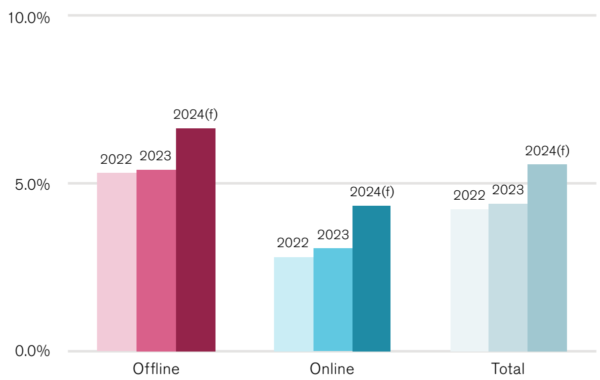
2023: TV inflation maintained its steady growth into 2023. Online Display, Print, OOH and Radio inflation also increased. It was only Online Video that saw a decrease in inflation, although the fall was only marginal.

2024: TV inflation is forecast to maintain its steady growth into 2024. In fact, all media types are forecast to see a slight increase, remaining in their cluster around 5%.

5-year trend 2020–2024(f)



Offline vs Online



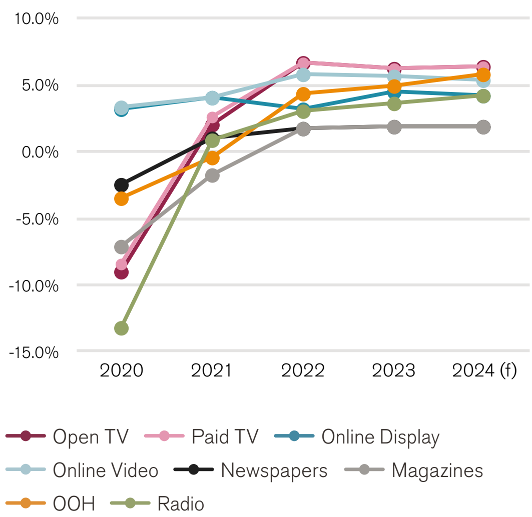
Mexico

5YT: Online media inflation was largely unaffected by the shocks of 2020; however, Offline began this period in deflation and has been on the road to recovery since, albeit not the smoothest of roads.

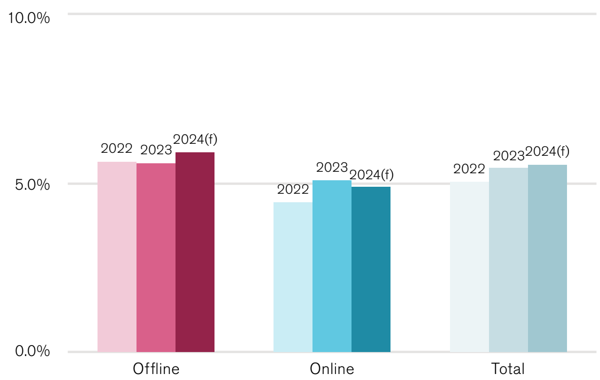
2023: Both Open and Paid TV inflation remained more or less consistent with 2022 levels, with equally small decreases versus 2022. Online Display experienced the highest rise in inflation, while other media deviated only slightly from their 2022 levels.

2024: Offline media inflation is expected to rise this year, prompted by Open and Paid TV, OOH and Radio. Online, however, will not enjoy the same fate; both Display and Video are forecast to fall below their 2023 levels.

5-year trend 2020–2024(f)



Offline vs Online



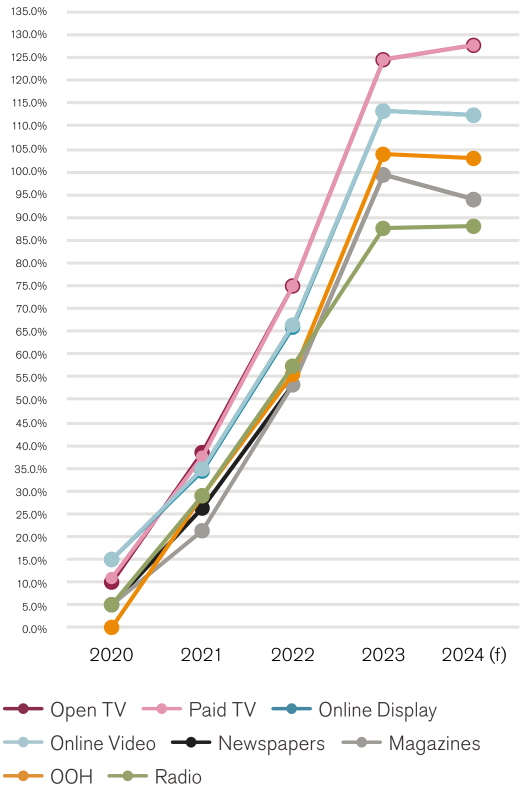
Argentina

5YT: All media types have experienced huge inflation over the period. Hyperinflation in the economy has been reflected in media inflation, with very large jumps between 2020 and 2023, although it is forecast to even off in 2024 and even, in the case of Print, Online and OOH, decrease slightly.

2023: The exceptionally high inflation of 2022 continued into 2023, reaching unprecedented levels above 100%. All media types experienced hyperinflation, especially Paid and Open TV.

2024: Media inflation is forecast to start slowing; Paid and Open TV and Radio are the only media types set to see a further increase - and a very slight one in the case of Radio.

5-year trend 2020–2024(f)



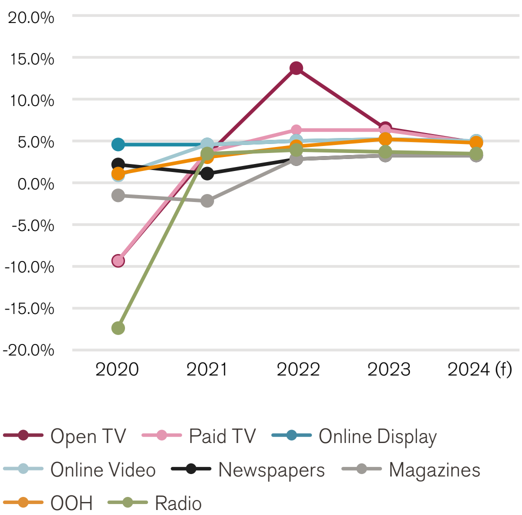
Chile

5YT: Offline media inflation has experienced far more volatility over the period than Online, with TV and Radio seeing the most significant shocks in 2020. TV went from being deflationary in 2020 to having the highest inflation in 2022, and is now consistent with other media.

2023: Inflation for most media types was consistent with 2022 levels. The exception was Open TV, which experienced a significant drop, bringing it almost back in line with Paid TV and the cluster of other media types.

2024: Inflation for most media types is predicted to be consistent with 2023 levels as a cluster begins to take shape. TV, Online and OOH all look set to converge at one level as Print and Radio converge at another.

5-year trend 2020–2024(f)



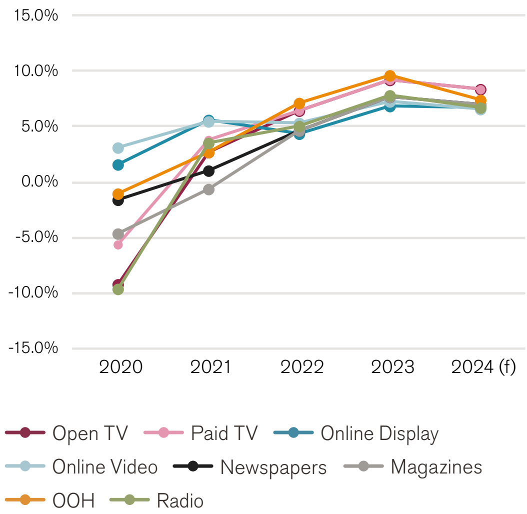
Colombia

5YT: Offline was more affected than Online by the events of 2020, but has made a full recovery; all media types are now clustered between 5% and 10% inflation.

2023: All media types experienced an increase in inflation versus 2022 levels, with OOH and Open and Paid TV seeing the highest inflation levels. The sharp increase in inflation was notable as every media increased by at least 2%.

2024: All media inflation is forecast to decrease slightly from 2023 levels, with OOH experiencing the biggest shift from its lead position in 2022.

5-year trend 2020–2024(f)



About

ECI Media Management

ECI: HIGHER MEDIA VALUE

Technology is transforming the media landscape at an unprecedented pace. But in the right hands, change can be a force for good. ECI Media Management, the market's fastest-growing global media management company, leverages these changes to help you drive higher media value from your advertising investment.

A modern, forensic approach

Ever since our formation we have championed a modern approach to media and financial auditing. As pioneers in the field of digital auditing, we include sophisticated analysis of programmatic activity in our audit model, and we pride ourselves on a forensic, fact-based approach which harnesses the power of our world-class talent and proprietary technology. Along with our innovative benchmarking capabilities, we are confident in our ability to empower our clients to drive higher media value and media-led impact on business performance. We can measure a very high proportion of media activity, allowing for a more accurate understanding of the efficacy of investments and better optimization for future activity.

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Our product offering

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- Agency Contracts and Remuneration
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Media Performance Audit

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  Cost tracking – all media
- **Target Mark®**
  Analysis and benchmarking – all media
- **FastTrack**
  Rapid, automated data tracking and management

Media Consulting

- Media Training and Bespoke Workshops
- Media Strategy Effectiveness Review
- Business Process and Data Management Consulting

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