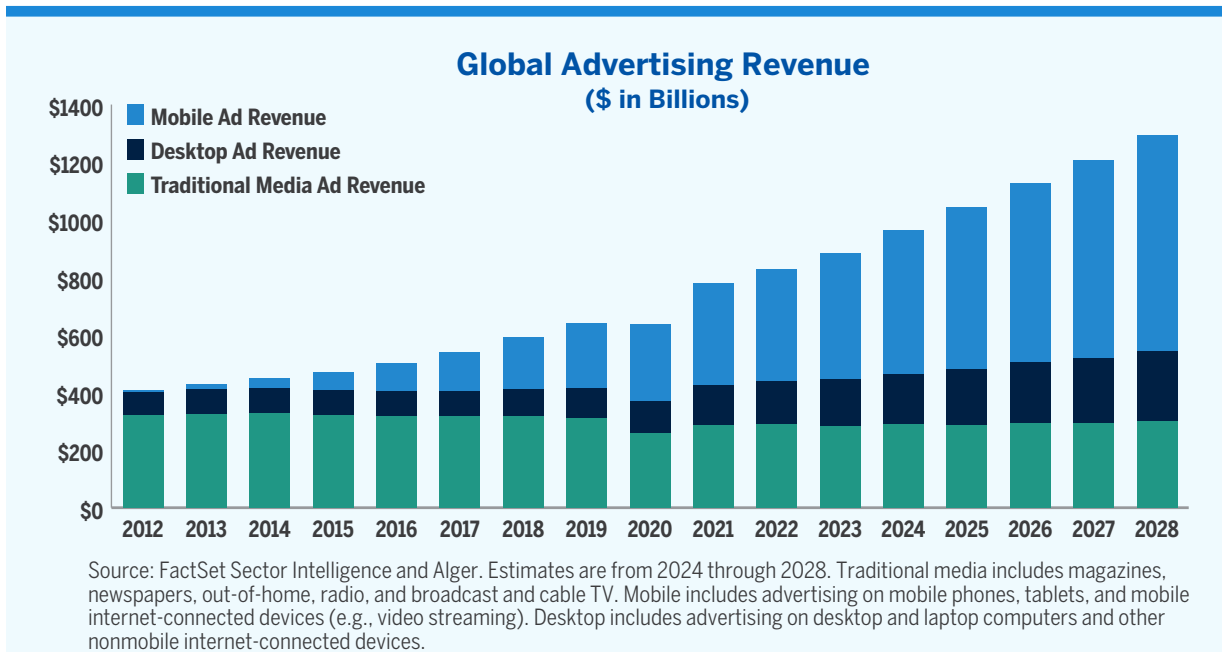


Dynamic Disruption in Global Advertising

The global advertising industry has undergone a dramatic transformation in recent years. Once dominated by traditional media, digital platforms—particularly mobile—have surged ahead, driven by the proliferation of smartphones and global internet access. As artificial intelligence (AI) permeates the advertising landscape, can investors capitalize on this secular trend?



- Historically, global advertising was viewed as a mature industry, with traditional media like TV, print, and radio experiencing slow, incremental growth due to market saturation. Digital advertising, particularly mobile, has injected new life into the industry. In the chart above, mobile ad revenue grew at an estimated 41% annually from 2012 through 2024, far outpacing desktop ad revenue (+7%) and traditional media, which declined by 1% annually.
- The surge in mobile ad revenue reflects widespread smartphone adoption, increased global internet access, and shifting consumer preferences—particularly among Gen-Z and Millennials—toward mobile gaming, eCommerce, social media, and video streaming. Programmatic advertising, which automates the buying and selling of digital ad space through algorithms and real-time bidding, has been a key driver of this growth. Recently, mobile ad platforms have been integrating AI into programmatic advertising, enabling even greater precision in audience targeting and ad placement, driving higher returns on ad spend.
- As a result, mobile ad revenue is projected to grow at an estimated 11% annually from 2024 through 2028, capturing nearly two-thirds of the trillion-dollar global advertising market.¹ In our view, companies with mobile-first strategies may be well positioned for growth as global advertisers increasingly prioritize mobile channels. In particular, we believe companies involved in programmatic advertising—such as mobile ad exchanges—and platforms offering mobile ad space (e.g., social media, audio and video streaming) could potentially gain significant market share in the shifting advertising landscape.

¹ FactSet Sector Intelligence

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