


SEARCH [Advanced Sea](#)[Home](#) > [All Archives](#) > [Online Media Daily Archives](#) > [Wednesday, Feb 14, 2007](#)Welcome [Alejandra Espinosa](#) | [sign-out](#) [Su](#)[EMAIL THIS ARTICLE](#) [PRINT](#) [REPLY](#) [SUBSCRIBE](#) [TODAY'S EDITION](#)

Local Video Advertising To Reach \$5B By 2012

by Shankar Gupta, Wednesday, Feb 14, 2007 6:00 AM ET

LOCAL ONLINE VIDEO ADVERTISING WILL account for \$371 million this year, or 5% of total online ad spending, according to a new report by Borrell Associates. By 2012, that figure will surge to \$5 billion, or 35% of local online ad budgets, Borrell predicts in its report, "The New Frontier: Local Online Video Advertising."

Peter Conti, senior vice president with Borrell, predicted that the growth in local video would come at the expense of banners and classifieds listings. Conti added that local advertisers will be particularly eager to target video ads--an ability that they have found elusive offline. "These are the people who can't afford TV advertising," he said. "It's that kind of video and that kind of marketing that they've never been able to do or afford before, and it's affordable on a much more effective and efficient medium."

By the end of 2007, the report predicts, local TV broadcast stations will increase their total local online video ad takings by 178%, to \$89 million. Part of that growth will come from a surge in video inventory; the vast majority (80%) of the 176 TV stations surveyed that didn't sell video ads on their sites last year say they intend to begin selling such ad this year. In total, almost all (94%) of the surveyed TV stations say they will be selling video ads in 2007.

The report also found that so far, newspapers have been the most effective at capturing local online video ad dollars. Last year, newspapers sold about \$81 million in local online video ad space, compared to TV broadcasters' \$32 million.



Today's Most Read

1. [How Deep In The Sand Can You Shove Yo](#)
2. [Real Media Riffs - Tuesday, May 15, 2007](#)
3. [Groups Challenge Credit Card Marketing , Colleges](#)
4. [Marketers Unprepared For New World Dis ANA](#)
5. [ARF Meeting Reveals Nielsen Ratings Dat: Will Remain Unaccredited Until Next Year](#)

Former MediaPost reporter Shankar Gupta is now an Online Communications Strategist at 360i.

Recent Online Media Daily Articles

Passion For Consumer Tops Successful Leader Mindset Oct 12, 6:00 AM

What makes a successful leader in the emerging Marketing and Media Ecosystem 2010? New research from...

Marketers Unprepared For New World Disorder: ANA Oct 12, 6:00 AM

More than 90% of the 250-plus marketers surveyed for a study set for release at the...

Online Ad Marketplace To Exceed \$61B By 2012: Forrester Oct 12, 6:00 AM

Online publishers need to offer increasingly innovative ways for marketers to reach their audiences if they...

CBS Pays \$10 Million For Celebrity Blog Oct 12, 6:00 AM

Continuing on the acquisition track, CBS has paid \$10 million for a nine-month-old celebrity gossip site...

IAB To Lead Gen Industry: Shape Up By April 1 Oct 12, 6:00 AM

The Interactive Advertising Bureau and its Lead Generation Committee have set a firm deadline for the...

SendMe Acquires mbuzzy Online, Mobile Community Oct 12, 6:00 AM

The mobile content and services feeding frenzy continues, as San Francisco-based SendMe has announced its ac...

GPhone Buzz Hits Frenzy After Google's Jaiku Deal Oct 11, 6:00 AM

Google's latest acquisition puts it deeper into SMS territory. The search giant announced that it acquired...

IAB Issues Final Word On Rich Media Impressions Oct 11, 6:00 AM

The Interactive Advertising Bureau has issued final guidelines on how to count rich online media ad...

Cablevision Names TBWACHiatDay For Commerce Work Oct 11, 6:00 AM

The digital marketing and commerce division of Cablevision Systems has retained TBWACHiatDay in New York to

IGA Worldwide Gets Into Casual Games Oct 11, 6:00 AM

New York-based in-game ad firm IGA Worldwide has begun its push into the casual game space,...

[>> Online Media Daily Archives](#)

[ABOUT MEDIAPOST](#) • [MEDIA KIT](#) •  [RSS FEEDS](#) • [PRIVACY](#) • [TERMS & CONDITIONS](#)



©2007 MediaPost Communications. All rights reserved.
1140 Broadway, 4th Floor, New York, NY 10001
tel. 212-204-2000, fax 212-204-2038, feedback@mediapost.com

ads post