



2023

Local Advertising Sellers Index



Introduction

Over the last decade — and notably in the last five years — the digital advertising and marketing landscape has gotten increasingly complex while growing at an astonishing rate. With rapidly advancing technology, tighter controls in place from the major platforms and more pressure to optimize omnichannel strategies, digital ad professionals are facing a multitude of pressures when creating, managing and measuring their campaigns.

Projections for future ad spend grow more optimistic by the day, and an accelerating demand for inventory and performance recently led IPG's Magna to raise its ad revenue growth forecast for the U.S. to more than 5% to total \$337 billion in 2023*. For media companies that sell ad inventory and manage campaigns at a local or regional level — and the digital advertising agencies that support them — these auspicious circumstances have led to even greater expectations for performance.

*<https://digiday.com/media-buying/magna-raises-2023-revenue-forecast-to-337-billion-boosted-by-retail-media-and-digital/>



Introduction (cont.)

To meet the growing demand for high-performing omnichannel campaigns, media companies have to navigate a constantly changing technological landscape and the ever-growing appetite of advertisers seeking greater return on investment. As a result, the digital ad professionals who are on the front lines for media companies are asked to do more with less.

But while the demands on media companies and their individual workers have grown exponentially, so too have the technology tools that can support them. These professionals are eager to get access to the best tools to help them do their jobs, according to a new study from local marketing automation software provider Frequency.



Frequency surveyed 471 digital advertising and marketing professionals that work at media companies or digital ad agencies that support them to understand the experiences, challenges and opportunities for this audience in a challenging economic environment. The survey was conducted in August 2023 in collaboration with independent market research firm PureSpectrum.

Growing Demands for Performance

Advertising sales professionals who support media companies are under pressure from both sides: management is demanding more digital ad growth to capitalize on an increasingly profitable market, and clients are applying pressure for greater performance in omnichannel campaigns.

At the same time, teams are often shrinking in size with each individual handling more responsibilities. According to the survey, a whopping 72% of respondents said their organization is expecting them to deliver more results with less support. Additionally two-thirds (65%) of respondents are under moderate to extreme pressure to grow digital ad revenue. In fact, **59% of respondents are under expectations to grow ad revenue by 20% or more over the next 12 months.**

Local media companies are hard pressed to make the most of this accelerating demand, and individual workers face high expectations from their clients as well: Overall, 60% of respondents reported moderate to extreme pressure from the brands they work with to drive even better advertising performance.

72% of respondents said their organization is expecting them to deliver more results with less support.

When asked what creates the most stress when working with clients, 33% cited gathering and analyzing campaign performance data as the biggest driver. Additionally:

29% Cited pressure to sell more third-party ad inventory

19% Cited managing and adjusting campaigns in flight

18% Cited determining an optimal mix of omnichannel campaign tactics or building a personalized proposal





Growing Demands for Performance (cont.)

Tracking and reporting campaign performance represent the most-challenging parts of the job for respondents: When asked what is the hardest part of the job for a digital advertiser handling local advertising for media companies:

37% Reporting campaign performance or results

16% Drafting proposals and determining the right omnichannel strategies

14% Adjusting strategies while campaigns are in flight

27% Tracking in-campaign performance

6% Coming up with and managing creative assets



The Sales Cycle: Producing Omnichannel Proposals

Despite the advances in technology across the digital advertising industry, 59% of respondents characterize their proposal-generation methods as manual. Additionally, 51% of media sellers report spending an additional hour or more analyzing the data needed to demonstrate ROI to clients in their proposals.

Even after spending the necessary time collecting data and creating a proposal, 78% report that they've lost a client because of an inability to adequately present campaign performance data – even when they knew the campaign was a success.

Additionally, approximately 69% report frustration with convincing their clients to adopt omnichannel strategies, suggesting that too many advertisers are missing out on the opportunity to leverage the most effective campaign strategies.



59% of respondents manually generate their proposals, and 16% say it's the hardest part of their job.

AI and Campaign Management

Many media companies and their digital agencies are likewise using some AI, but adoption of AI for campaign proposals remains low. Overall, three-quarters of respondents (75%) said their organization leverages some AI to automate parts of digital media management - with media buying and forecasting comprising the most-common function (53%) of those using AI.



51%

Use AI for campaign management and workflow automation



29%

Use AI to create campaign proposals



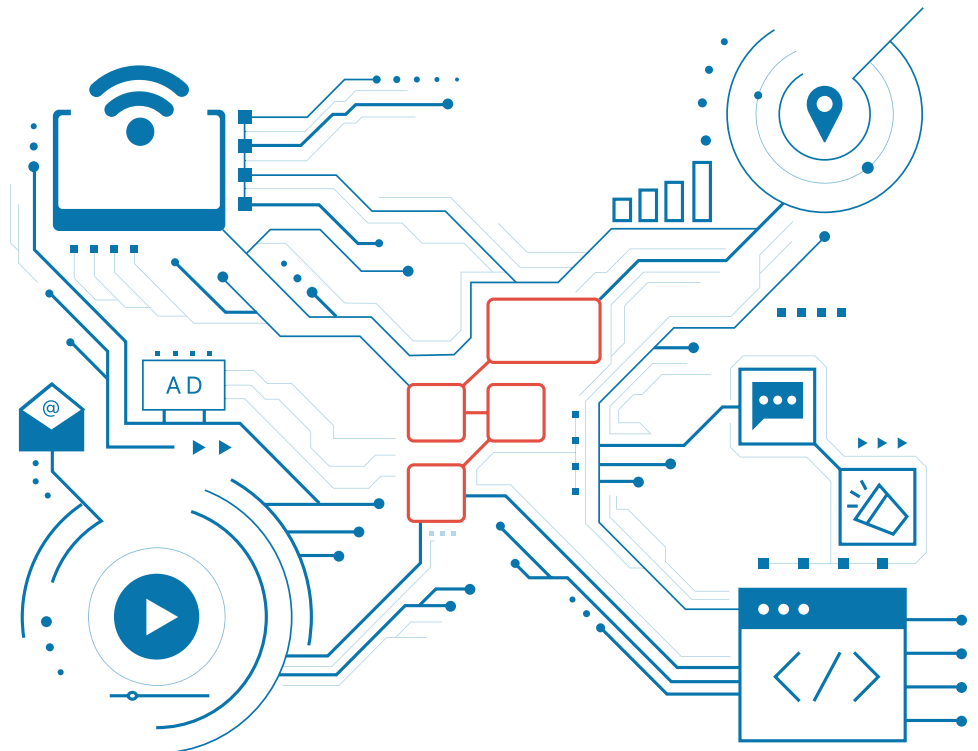
24%

Use AI for analytics and campaign measurement



10%

Use AI to assist with copy or creative creation



Keeping Pace With An Evolving Digital Landscape

The last few years have produced some of the biggest changes in the digital advertising landscape – from technology advancements to new features and challenges coming from the major platforms. The rapid pace of these evolutions and innovations have led to elevated demands on the talent pool.

The survey found that 72% of respondents felt recent changes to the digital advertising industry – like Apple’s recent AppTrackingTransparency feature – has led to a negative effect on their organization’s revenue. More broadly, 70% feel like they struggle to keep up with all of the new strategies and technologies changing their industry, which includes the rise of programmatic, streaming and attribution changes.

All of this is leading to elevated levels of strain on talent. An astonishing 84% of respondents report experiencing stress in their jobs.



“ 70% of respondents struggle to keep up with all of the new strategies and technologies changing their industry.”





Respondents Say Technology Can Help

Media companies are losing digital-ad revenue because they often lack sophisticated ad technologies and workflow efficiencies, and many digital advertising professionals are calling on their organizations to step up.

The survey found that an overwhelming 82% of respondents wish their organization provided them with more software to do their jobs.

Additionally, nearly two-thirds (64%) of respondents reported losing out on a potential client's business because of inadequate technology resources, and

a majority (58%) said there have been instances where inefficient processes or workflows caused a client to drop them. These sorts of missed opportunities represent a significant liability for any company in a fast-paced, technical field, and they beg for correction.

A lack of technology also is a key reason why digital advertising talent will consider leaving their jobs. A shocking 72% of respondents actually reported considering leaving their job for a competitor because of a lack of technology support.

“ 64% of respondents reported losing out on a potential client's business because of inadequate technology resources.



Conclusion

The future looks bright for local-market advertising. Every day new advertisers enter the local market as barriers to entry fall and outcomes improve. In fact, analysts at Borrell [recently projected](#) that local-market advertising will grow a robust 4.4% in 2024, to \$157.1 billion.

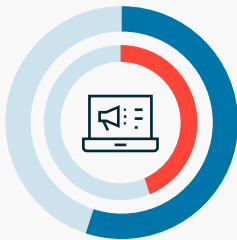
This isn't to say that there aren't challenges, but it should be said that many of the responses in this survey can be attributed to positive change and growth within the advertising industry - and change is rarely smooth or easy. To thrive in the face of fracturing audiences, rapidly advancing technology, and shifting consumer behaviors, local-market media professionals require additional resources and advanced technological solutions to bolster their advertising efforts and prove their effectiveness.

The future success of the local-market media industry hinges on its ability to adapt and evolve, and it is incumbent upon all stakeholders to provide the necessary support and tools to drive profitability. As the industry navigates this period of rapid change and growth, one thing is clear: local-market media professionals need help to meet mounting challenges and secure a stable future.

It's also clear that help is out there. Technological tools and greater automation are available now that can alleviate these pain points, and success awaits the companies that invest to give their employees the tools and resources they need. Local-market advertising is a resilient, adaptive industry, and with the right strategies the future for media companies will remain bright for those that invest the necessary resources to capitalize on the current moment.

A Look at the Respondents

MARKET TYPE



55% Digital marketers and advertisers that focus on **local markets**

45% Digital marketers and advertisers that focus on **regional markets**

ORGANIZATION TYPE

22% Online media outlet



17% Cable provider



15% Digital advertising agency



15% Radio station



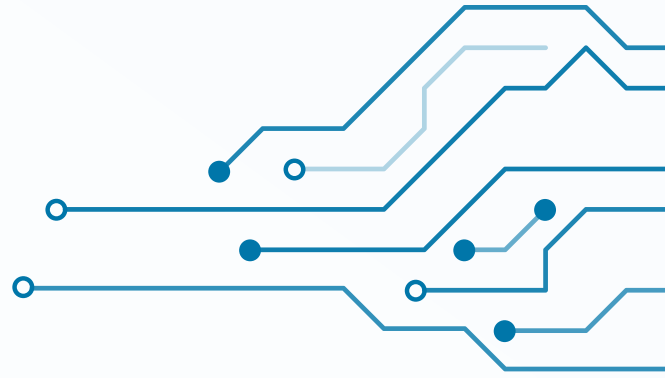
13% Newspaper / local print



12% Out of home



6% Broadcast TV station



LARGEST-CLIENT INDUSTRIES



27%

Consumer Products, Retail



22%

Professional Services
(lawyers, accounting services, beauty, etc.)



17%

Restaurants



12%

Sports, Athletics



11%

Automotive



6%

Construction
(repairs, maintenance, home improvement)



5%

Politics (3%)
Other (2%)

ANNUAL ADVERTISING DOLLARS MANAGED

66% Less than \$200,000

29% \$200,000 to \$999,999

7% More than \$1M



About

Frequency is the Future of Media—the only end-to-end platform for media companies to grow and automate their advertising sales and operations while integrating owned and operated media. Through its full-stack proposal, workflow and campaign-management software, Frequency drives revenue with best-in-class tools to sell, optimize and report omnichannel advertising campaigns. For more information, visit frequency.com.

Frequency, Inc
155 East Dana Street
Mountain View, CA 94041

