

2026 Digital Video Ad Spend & Strategy Report

PART ONE: U.S. MARKET SIZE & GROWTH PROJECTIONS

May 2026

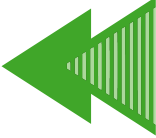


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Preface



IAB's Digital Video Ad Spend & Strategy Report, now in its 13th year, provides a lens into the U.S. TV/video market, equipping buyers and sellers with the intelligence needed to make smarter, faster decisions in an AI-fueled industry evolving at breakneck speed.

IAB partnered with Advertiser Perceptions and Guideline—leveraging proprietary billing data, market estimates, and a custom survey of ad spend decision-makers—to uncover where U.S. TV/video ad dollars are flowing and why.

This report, the first of two in 2026, covers ad spend market size and growth projections for U.S. digital video (incl. CTV, social video, and online video)* and newly examines agentic AI adoption for digital video campaign execution—reflecting its emergence as one of the most consequential forces reshaping the industry.

Part two, focusing on the strategies behind these growth rates, will be released on July 14th during the **IAB Video Leadership Summit**.

This year's findings show digital video exceeding new thresholds in spend as well as in share of total spend across the larger TV/video market. Specifically, social video and CTV each reflect compelling growth stories.

Meanwhile, **the industry is navigating a deeper transformation as AI, including agentic and generative**, reshape how media is planned, bought, and optimized. Those who embrace AI with more urgency and intention, on both the buy- and sell-side, will have a competitive advantage moving forward.

**See pages 19 and 20 for more details on how we define TV and digital video, including how CTV, social video and online video.*



Key Insights

01

U.S. digital video* ad spend will surpass \$80B in 2026—double the volume from only five years ago.

Growing 11% YoY in 2026—nearly 20% faster than the total ad market—digital video (incl. CTV, social video, and OLV) will for the first time exceed 60% of total TV/video spend, even as post-COVID acceleration gives way to a maturing market.

02

Agentic AI for digital video is quickly moving from experimental to operational.

Two-in-three buyers are live (21%), testing (20%), or planning to use (25%) agentic AI for digital video campaigns in 2026. With another 28% actively investigating it, nearly all digital video buyers are in market or on a near-term activation path.

03

Small-to-mid-size spenders diverge from large spenders in using agents for digital video.**

Smaller spenders lean heavily into uses like creative testing***, pre-planning, and performance analysis—replicating infrastructure they lack. Large spenders prioritize inventory discovery and evaluation to navigate fragmentation across many deal types and partners.

04

Social video notably overtook CTV in spend volume in 2025—a lead likely to grow in 2026.

Social video's 13% growth is helped by continued AI-enabled innovation in personalization and a growing creator economy. Yet, CTV's 11% growth is strong as its fueled by live and "Hollywood-produced" content and a strengthening track record in outcome delivery.

05

Targeting (+10 pts YoY) overtook content quality as the top criteria for TV/video buys.

Targeting's rise reflects growing urgency as IP degradation and AI-driven traffic erode fidelity. Small-to-mid-size spenders** are driving the shift (+23 points YoY) while remaining most exposed to open-market identity challenges.

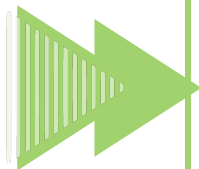


Digital Video Ad Market Size & Growth Projections

Digital video ad spend will exceed \$80B in 2026—double the volume from five years ago

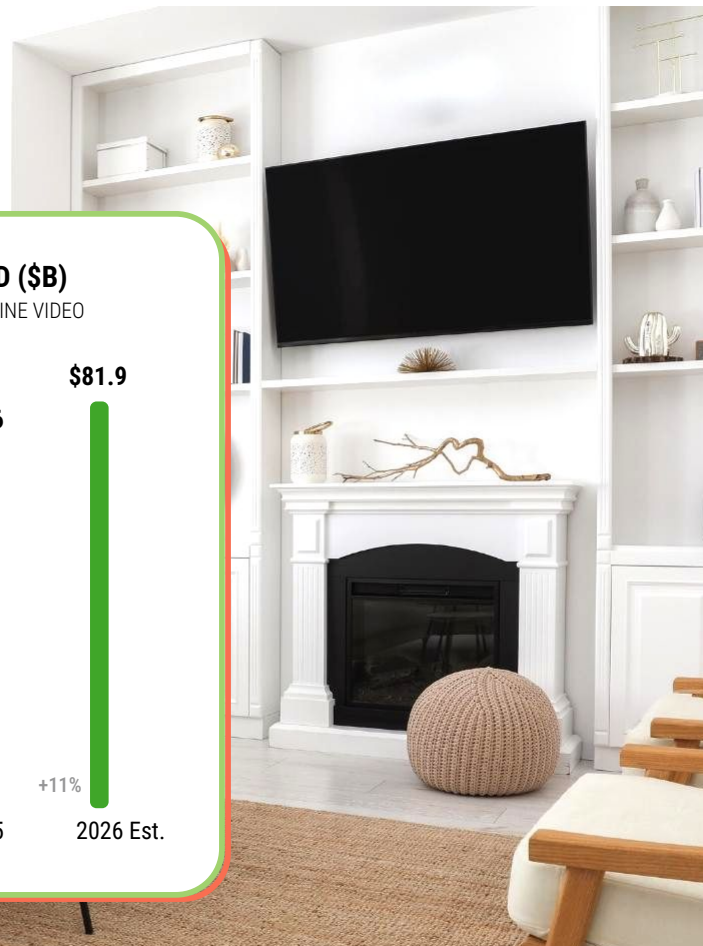
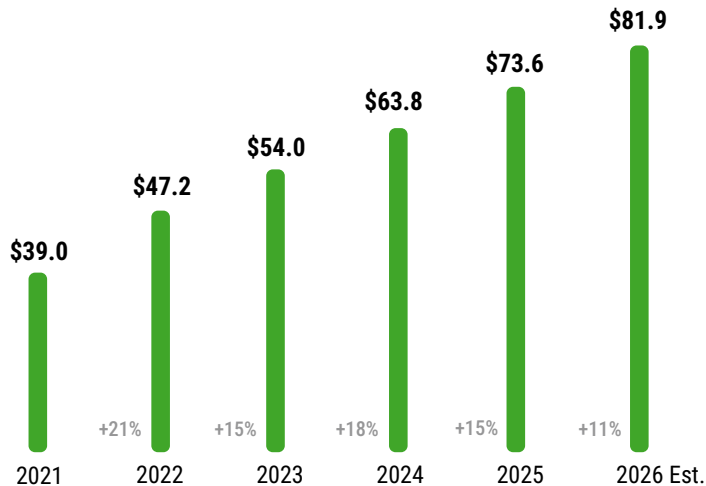
Digital video—incl. CTV, social video, and online video—is **projected to grow 11% in 2026, which is nearly 20% faster** than the overall ad market.*

Growth is roughly half its 2022 peak as the market normalizes from the post-COVID acceleration and continues to mature with digital overall. This is also compounded by the emergence of new macroeconomic factors creating additional ad spend headwinds.



U.S. ANNUAL DIGITAL VIDEO AD SPEND (\$B)

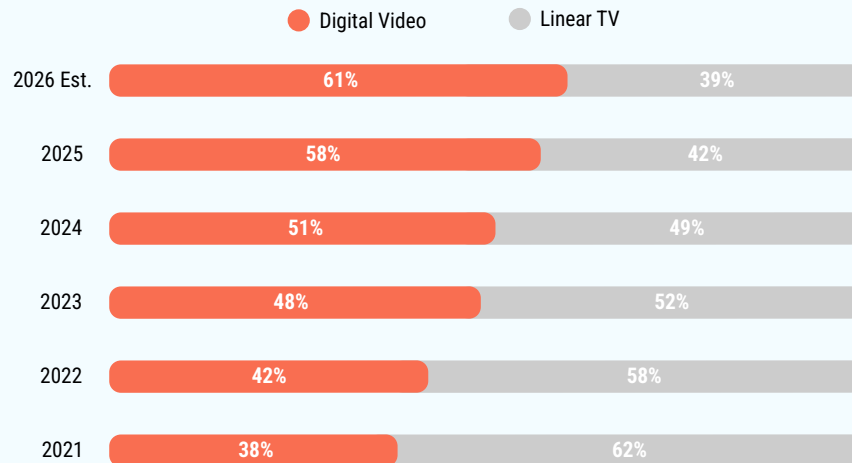
*DIGITAL VIDEO INCLUDES CTV, SOCIAL VIDEO, AND ONLINE VIDEO



Digital video will, for the first time in 2026, account for more than 60% of the total TV/video ad spend market



U.S. TOTAL ANNUAL TV/VIDEO SPEND SHARE



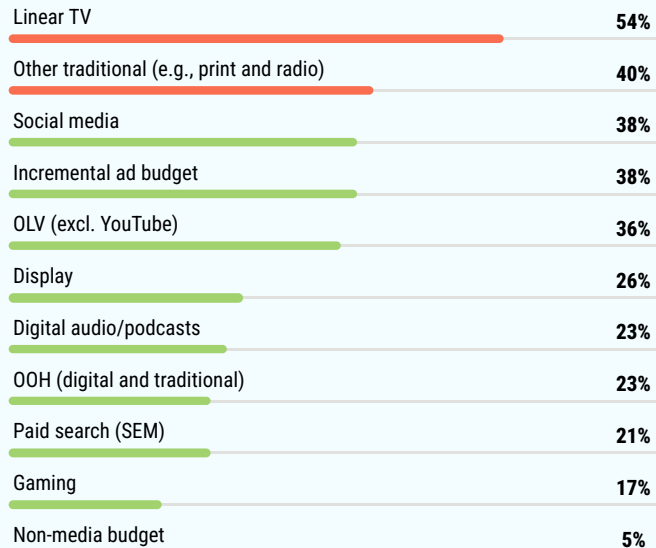
Digital video will continue expanding share in 2026 despite major cyclical events, incl. the Olympics, World Cup, and midterm elections, which typically anchor spend in linear. Further accelerating the shift is that these major events are becoming more widely available programmatically on streaming platforms. Although the shift pace will slow to 3 points YoY (vs. 7 in 2025), the **consistent movement into digital regardless of cyclical events reinforces how foundational this movement is.**



CTV's ad spend is increasingly driven by traditional media—particularly the broadcast networks as they continue to expand their streaming opportunities

FUNDING SOURCES FOR INCREASED CTV SPENDING

BASE: THOSE INCREASING CTV SPENDING IN 2026



Though 2026's major events concentrate spend in linear, **the structural shift of sports rights to streaming**—e.g., the NBA on Amazon, NFL on Peacock and Netflix, MLB across platforms—continues to drive the move to CTV. Reallocation from print and radio also increased 7 points YoY, reflecting the broader shift out of traditional into digital channels more adept at measuring and delivering business outcomes.

Also powering the growth is greater **investment from small spenders** as the number of them investing in CTV has increased from 60% in 2024 to 85% in 2026 with self-serve platforms lowering the entry barrier.

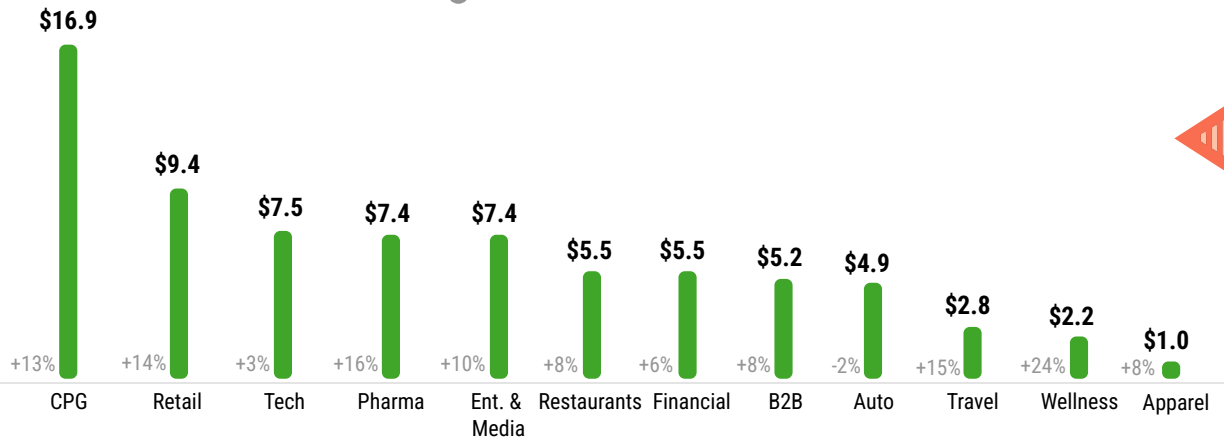


Digital video ad spend will grow across nearly every category

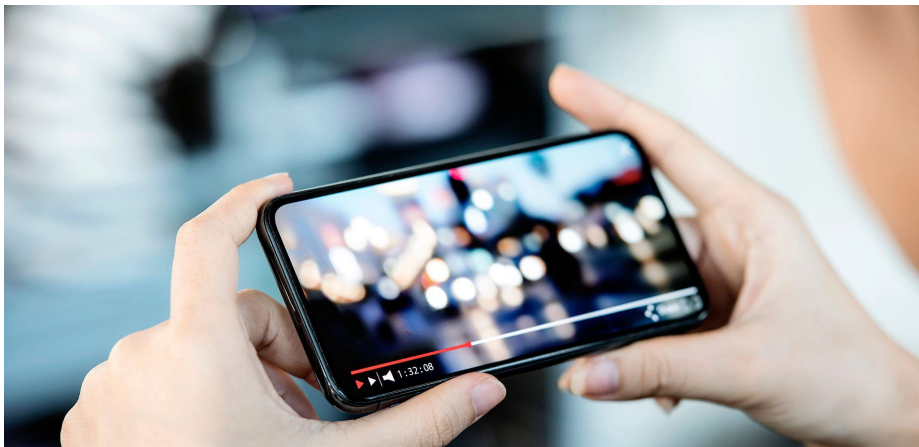
CPG and retail continue to lead investment, followed by tech, pharma, and entertainment—**categories where high consideration and frequency make digital video's cross-screen reach especially effective**. Auto is the lone exception, declining 2% YoY amid elevated prices and interest rates, a softening job outlook, and tariff pressures.*

U.S. 2026 ESTIMATED DIGITAL VIDEO AD SPEND BY CATEGORY (\$B)

● YoY Estimated Growth (2026 vs. 2025)



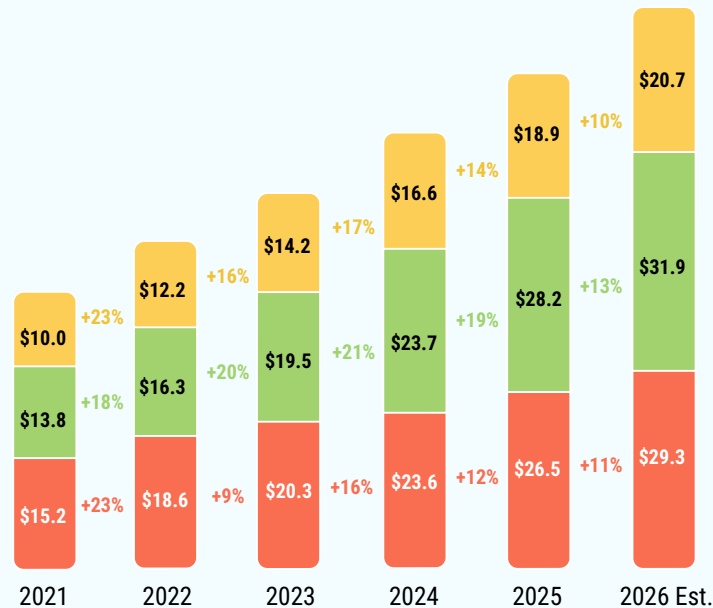
Social video ad spend notably overtook CTV in 2025 and will likely extend that lead in 2026



Social video's growth (incl. YouTube) reflects an increasingly modified stack of **AI-powered personalization, creative optimization, and measurement** tools dovetailing with a maturing **creator economy**—a combination of factors attractive to advertisers. Meanwhile, CTV's continued momentum is driven by **live events, "Hollywood-produced"** content and, perhaps most importantly, a strengthening track record of delivering **measurable business outcomes**.

U.S. ANNUAL DIGITAL VIDEO AD SPEND BY TYPE (\$B)

CTV Social Video Online Video



Social video has reclaimed its spot as the #1 “must buy” over CTV

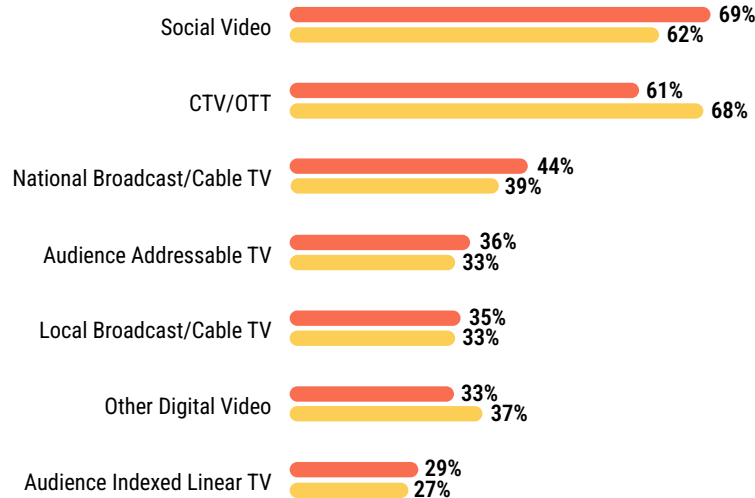
Social video rose 7 points YoY to lead all formats as a “must-buy,” driven by its blend of **AI-powered measurement** and **optimization**, **creator presence**, and **native commerce capabilities**.

CTV's 7-point decline reflects a growing share of large advertisers exercising budget discipline amid rising media costs*—not a loss of channel confidence. It remains a strong #2 and a must-buy for nearly two-thirds of buyers.

% THAT CONSIDER THE FOLLOWING A “MUST BUY”

(i.e., NECESSARY FOR MEDIA PLAN)

● 2026 ● 2025



Driven by small and mid-size spenders, targeting surpasses content quality as the top criteria driving TV/video investment

TOP 5 CRITERIA TO DETERMINE WHERE TO SPEND TV/VIDEO AD DOLLARS



Up 10 points YoY (data not shown), targeting's rise reflects the growing urgency as **signal loss from IP degradation** and rising, **AI-driven traffic make reliable targeting less effective**—elevating its importance in spend decisions.

Small-to-mid-size spenders (annual spend < \$50M) are driving the shift (+23 pts YoY; data not shown), bringing higher expectations for niche audience targeting into CTV—a reflection of their narrower customer bases and more nuanced needs—while remaining more exposed to open-market buying, where identity challenges may be more acute.

Business outcomes also remain a top criterion, underscoring continued pressure to tie spend to measurable results.



Q: Please select your top 5 most important criteria you use to determine where to spend your TV/video dollars.
Base: Total Respondents, n=360



Agentic AI for Digital Video Campaign Execution

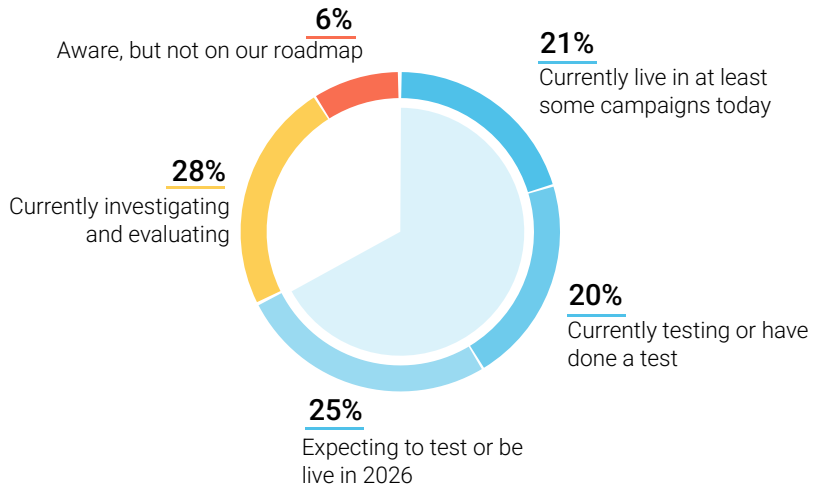
Two-in-three buyers are already live, testing, or planning to use agentic AI for digital video campaigns

In fact, when factoring in the additional 28% who are actively investigating, **nearly all buyers are already in market or on a near-term path to adopting agentic AI** for digital video campaigns.*

This suggests that AI is rapidly moving from experimental to operational in digital video.

*Includes AI agents that support planning, inventory discovery, creative optimization, campaign activation/bidding, budget optimization, performance analysis, etc. with no or limited human intervention.

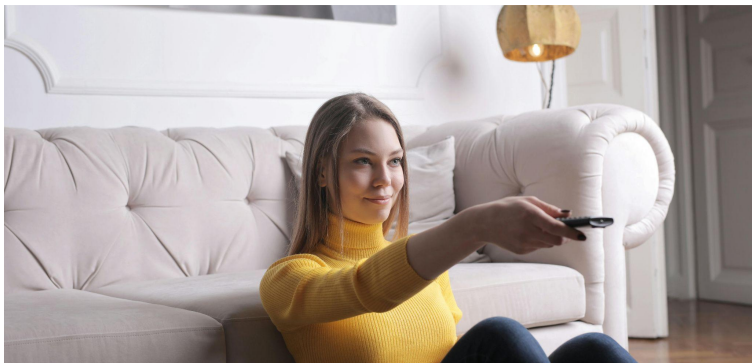
AGENTIC AI: ADOPTION FOR DIGITAL VIDEO CAMPAIGN EXECUTION



Agentic AI adoption is currently centered on decision support rather than the purchase decision itself

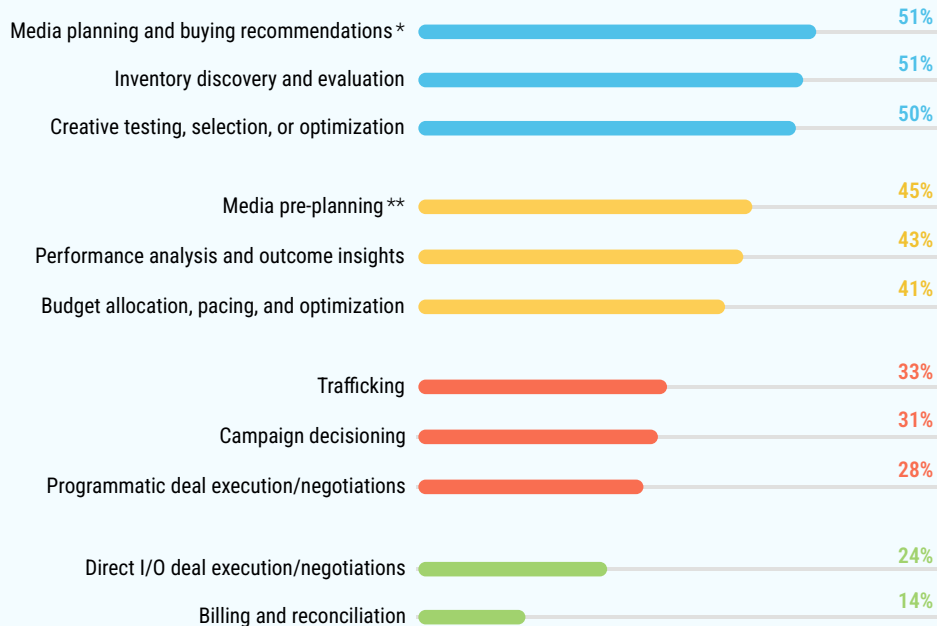
Agentic AI adoption (which can leverage generative AI) is concentrated in internal-facing workflows — **planning, inventory discovery, and creative optimization** — where AI informs decisions before dollars are committed.

Usage declines as processes become more external-facing, suggesting human judgment remains critical when money is on the line.



AGENTIC AI (incl. GEN AI): CURRENT/PLANNED DIGITAL VIDEO USE CASES

BASE: THOSE EXPECTING TO TEST, TESTING, OR LIVE



*Media planning and buying recommendations includes channel mix, budget recommendations, targeting strategy, etc.

**Media pre-planning includes parsing client briefs, insight generation, strategy development, etc.

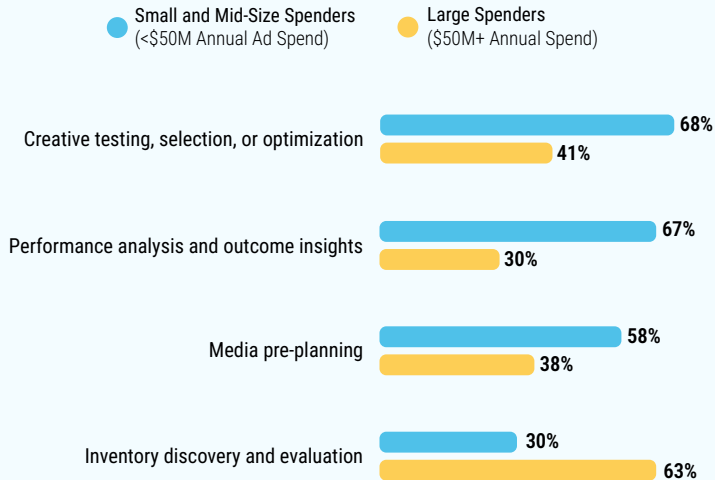
Q: Which digital video ad planning and activation functions are you currently using or planning to use agentic AI workflows for?

Base: Expecting to test, testing, or live with agentic AI, n=236

Small-to-mid-size spenders diverge with large spenders on AI use cases in a few key areas

AGENTIC AI (incl. GEN AI): CURRENT/PLANNED DIGITAL VIDEO USE CASES

BASE: THOSE EXPECTING TO TEST, TESTING, OR LIVE



Small-to-mid-size spenders are leaning into agentic AI (which can leverage generative AI) for execution-heavy use cases as they often lack the infrastructure that these tools replicate. With more accessible solutions and simpler operations, they can quickly streamline workflows and drive immediate impact.

Larger spenders, by contrast, focus on inventory discovery and evaluation. Fragmentation across deal types—e.g., PMPs, direct, and open auction—creates complex consideration sets that are difficult to assess manually, making them well-suited for agent-driven automation.

Recap



This year's findings reveal a digital video market that continues to grow with conviction—even as the pace moderates and macroeconomic uncertainty adds complexity to the outlook.

Surpassing \$80B as well as 60% of total TV/video spend, digital video's trajectory reflects a **structural momentum** transcending any single year's headwinds. Meanwhile, **AI's rise** as an operational reality signals a huge, imminent shift in media planning, buying, and optimization.

For buyers, a key opportunity lies in pairing agentic automation with sharper targeting strategies, as signal loss and AI-driven traffic make precision more valuable and elusive than ever. **For sellers**, the mandate is clear: deliver measurable outcomes or lose spend to those who can.

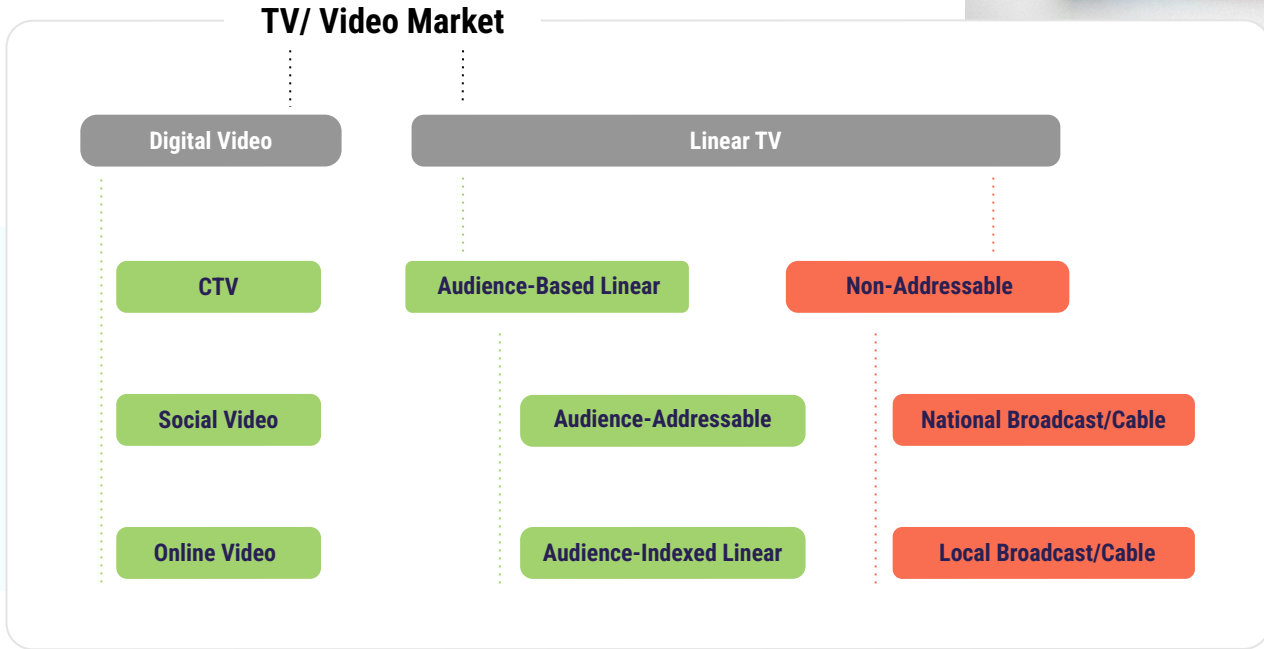
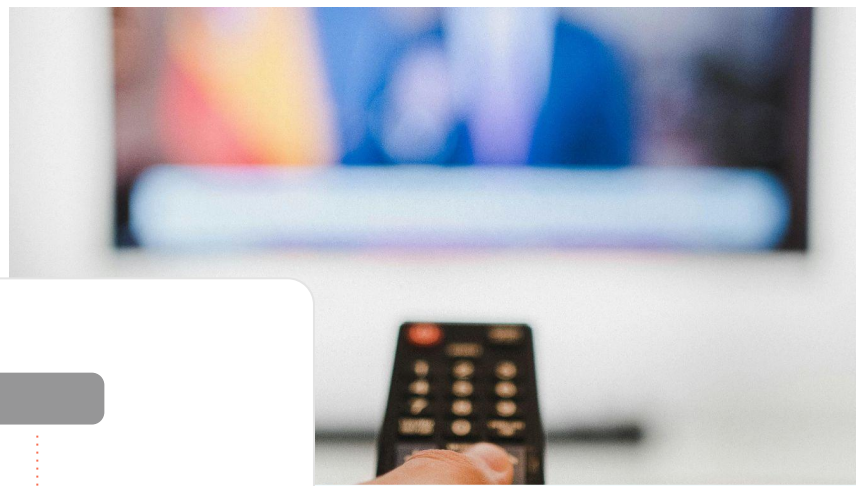
Those business outcomes, along with the strategies behind the growth rates mentioned above, will be addressed in part two of this report **being released on July 14th during the IAB Video Leadership Summit**.





Appendix: Definitions & Methodology

TV/Video Classification Guide



TV/VIDEO TYPE KEY

- Audience-Based Addressable
- Non-Addressable

For detailed definitions see the next page

TV/Video Classification Guide: Detailed Definitions

TV/VIDEO TYPE KEY

- Audience-Based Addressable
- Non-Addressable

Digital Video

CTV

“TV-like” Internet-delivered content, typically long-form and delivered via a Smart TV or OTT device, via subscription or non-subscription streaming video services. Some inventory may be distributed in the mobile or desktop environments and includes the following:

- **AVOD** or advertising-based video on demand:
 - Free ad-supported streaming TV services, aka FAST (e.g., Pluto TV, Tubi, Xumo)
 - Ad-supported paid subscription video services (e.g., Hulu, Paramount+)
- **vMVPDs** or virtual multichannel video programming distributor (e.g., Hulu Live TV, YouTube TV, Sling)

Social Video

Short-form video shared on social platforms, including TikTok, Instagram, Facebook, Snap, Twitter, YouTube.com, and others

Online Video

Short-form video from web/app-based publishers

Note: Commerce media network buys are classified within CTV, Social Video, or OLV based on the serving environment of the inventory.

Linear TV

National Broadcast/Cable TV

Traditional linear TV, bought for distribution nationally. Households viewing the same shows see the same ad. This includes any data-driven linear TV bought for distribution.

Local Broadcast/Cable TV

Traditional linear TV, bought for local (metro-level) programming; aka Spot TV. Households viewing the same shows see the same ad.

Audience-Based Linear

Audience-Addressable

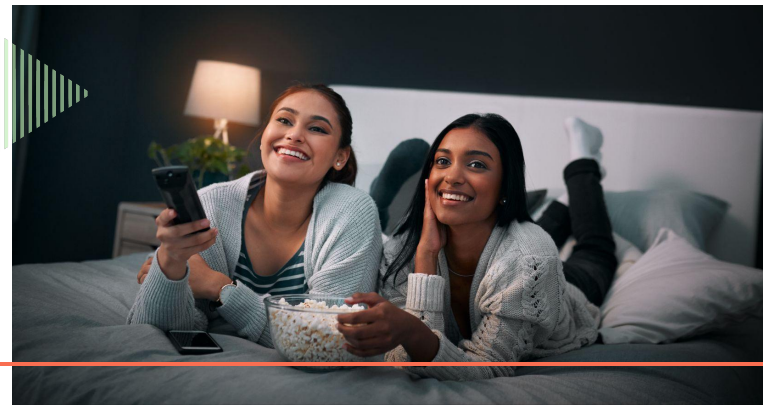
Allows advertisers to dynamically serve specific ads to specific households during scheduled linear TV programming, based on first-, second-, or third-party data such as location, behavior and demographics.

Audience-Indexed Linear

Enables buyers to identify programs, networks, and dayparts with a high composition of the advertiser's target audience and build an ad buy more likely to reach that audience.

Methodology

Now in its thirteenth year, IAB's **Digital Video Ad Spend & Strategy Report** report provides a lens into the trends within the U.S. TV/video market and offers guidance for buyers and sellers on how they can position and differentiate their strategies based on the market opportunity.



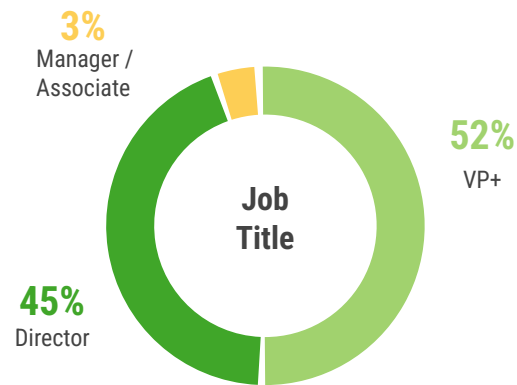
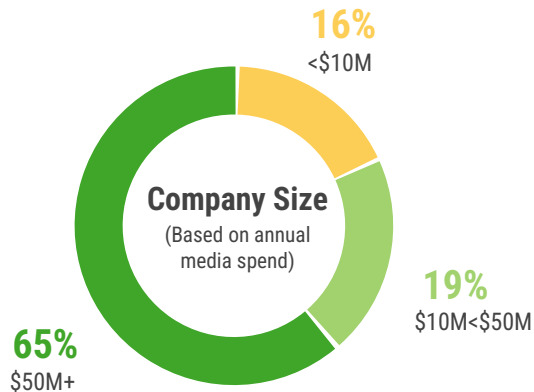
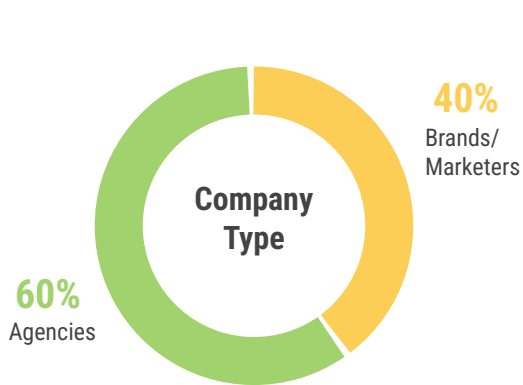
Advertiser Perceptions Quantitative Sample Generated and Execution

- Fielded: February 20, 2026 – March 13, 2026
- 15-minute anonymous online survey, n=360
- Advertiser Perceptions leveraged its Ad Pros community and trusted third-party partners to recruit verified industry leaders, identified as those who:
 - Are involved in recommending, specifying, or approving advertising spending in digital video
 - Spent at least \$1M on advertising in 2025
 - Work at agencies or directly for a brand marketer

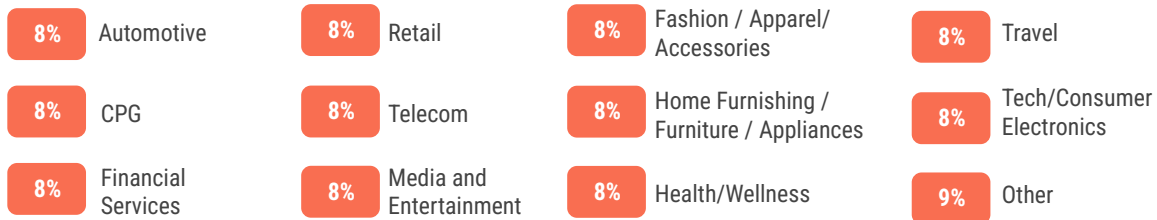
Guideline's Market Size and Growth Rate Methodology

- Guideline's' digital video ad spend market size and growth rate estimates are based on Guideline's Pool of ad billing data, including Forward Bookings (i.e., future, pre-booked media), the IAB-commissioned Advertiser Perceptions quantitative survey, interviews with industry leaders, and other market estimates.
- The Guideline pool's coverage of the U.S. advertising market is based on deterministic, census-level total media billings for all spending by the largest ad agencies, includes all six U.S. major holding groups and most of the largest independents.

Respondent Profile



Market Sectors



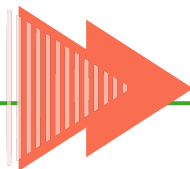
*Numbers may not add up to 100% due to rounding.

About IAB



The Interactive Advertising Bureau empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing.

In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.



About IAB Media Center



The IAB Media Center's mission is to accelerate the seamless transition from traditional analog media channels to dynamic digital platforms. By doing so, we aim to empower innovative business models while fostering a captivating and consumer-centric media and advertising experience. The IAB Video Board plays a pivotal role in advancing the growth of the converging television and digital video marketplace, acting as a crucial link between buyers and sellers. It dedicates itself to providing best practices, setting industry standards, and creating forums that catalyze market development. Board members play a pivotal role in initiating key projects, influencing best practices in TV and video marketing, gaining early access to research, expertise, and tools from the IAB, and enjoying exclusive participation in industry events and discussions.

IAB Video Board of Directors Member Companies

Amazon Ads	Innovid	PubMatic
AmperSand	IPG Mediabrands	Quigley Simpson
Bayer	Magnite	Roku
Bloomberg Media	Mindshare	RPA
Butler/Till	Mondelēz International	Samsung Ads
dentsu	National Football League	Spectrum Reach
Disney	NBCUniversal	Spotify
FreeWheel	Netflix	TelevisaUnivision
General Motors	Nexstar	The Coca-Cola Company
Google	Omnicom	TikTok
GSTV	Papa John's Pizza	Unilever
Harmelin Media	Paramount	Warner Bros. Discovery
Horizon Media	Prudential Financial	WPP Media
Infillion	Publicis Media	Wurl

About Advertiser Perceptions



Advertiser Perceptions is the global leader in research-based business intelligence for the advertising, marketing and ad technology industries. Our experienced staff delivers an unbiased, research-based view of the market, competing brands, and their customers with analysis and solutions tailored to each client's specific KPIs and business objectives – providing them with the confidence to make the very best sales and marketing decisions, driving greater revenue and increased client satisfaction.

www.AdvertiserPerceptions.com

About Guideline



Our mission is to redefine the future of the world buys and sells media.

We combined the leading media planning and data companies to create the world's most trusted set of solutions to help shape mission-critical advertising decisions. Though we already provide guidance to the world's leading brands, agencies, and media owners; we are just getting started.

We are busy innovating, expanding existing capabilities, and leveraging AI to offer automated, intelligent solutions to age-old industry processes.

As the industry leader, 25 out of the world's 30 largest brands and 9 of the top 10 most valuable global media owners rely on our solutions. Guideline provides critical data to the largest media measurement companies, demand-side platforms, and institutional investors. We partner with all six of the biggest agency holding companies, as well as several of the largest independents, analyzing over \$150 billion in annual media spend globally.

[Request a Guideline Demo](#)





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