

5 Easy Ways to Grow Digital Advertising in 2024



Get Growing: Your Ad Revenue Will Soar in 2024

The possibilities for local ad revenue growth in 2024 are very exciting. The forecasted numbers are strong, and each outlook seems to improve. While you'll always be a radio-first media company, you can't overlook the boost digital advertising sales can bring your organization. Digital advertising makes radio buys stronger and vice versa, amplifying ad spend returns for your customers and increasing your overall revenue.

The ability to offer both makes you a desirable partner, and the data shows that local advertisers want to buy digital from you!

First, the [11th annual Borrell-RAB digital benchmarking report](#) concluded that digital ad sales accounted for 22% of radio revenue in 2023. BIA projected that businesses would spend [\\$78 billion](#) on local digital advertising in 2023. Another recent Borrell survey found that [32% of local companies](#) buy digital advertising from radio stations, the leader of all other channels.

**\$84.1
billion**

The numbers for 2024 look even stronger. [BIA's 2024 local advertising report](#) estimated that local digital ad revenue will reach **\$84.1 billion**, a nice increase from 2023. There are specific unique drivers for 2024, with many dollars flooding local mediums relating to the upcoming elections. However, there's more fueling growth, including continued optimistic economic reports, new jobs created, rising consumer confidence and the shift of linear TV viewers to streaming.

The report crowns OTT/CTV as the fastest-growing tactic across traditional and digital. The trends in how people consume content point in favor of digital.

So, let's talk about how to grow digital ad revenue in 2024.



Here are the five easy strategies that pave the way for more dollars.

1. Build strategies to curate new business in industries increasing ad spend.
2. Tap into new revenue with businesses outside your radio demographic ideal buyers.
3. Develop multi-tactic, longer-term campaigns with 3-6-5 proposals.
4. Expand revenue possibilities by prospecting and pitching to restricted categories.
5. Adopt technology that streamlines processes, enables converged selling and protects margins.

What Makes You the Best Digital Ad Partner

As a local media seller, you have:



Opportunity: Advertisers will increase spending and are more likely to buy from you. Existing relationships matter, and your sales team has strong connections in the community.



Expertise: You know the market and its nuances better than national agencies do. This knowledge helps you outline campaigns that will hit their goals.



Converged solutions: Businesses can buy integrated campaigns from you that include radio and digital. It's one partner delivering an omnichannel campaign with a focus on holistic ROI for your advertiser.



Trust: Decision makers know your station and see the local involvement you have. National or global vendors can't match the inherent trust this creates.



Transparency: By using a reputable third-party digital platform, you can show advertisers costs, targeting capabilities, what sites their ads were served on and other analytics. Most other vendors keep this in a black box.

With all these advantages, growing digital ad revenue in 2024 will be easy!



One

Build Strategies to Curate New Business in Industries Increasing Ad Spend

As you decide where to put your efforts in generating new business, some industries should be a priority. These verticals either reflect a forecasted increase in spending or align with trends.



Restaurants and Food and Beverage

BIA analysis predicts this sector will increase local ad spend by 17.2% in 2024. Why are they spending?

- **They need employees**, as they continue to deal with shortages. Recruitment advertising will get a portion of this money, and it will remain at the local level. Targeted digital supplemented with high-reach radio spots is a good combination.
- **The industry is very competitive**, and restaurants are always trying to gain market share. They can do it well with targeted digital advertising on OTT/CTV or by geofencing competitor locations.
- **Eating out has rebounded** successfully from the pandemic, with [49% of restaurants](#) reporting year-over-year increases in same-store sales in September 2023.
- **The industry has diversified and optimized its to-go and delivery channels**, which remain a high consumer preference.

All these factors will drive local ad spending. Understanding the trends and data enables you to come to the table with ideas to achieve whatever goal they desire.





Real Estate

BIA also lists real estate as a fast-growing category. Real estate is a key part of local ad revenue. Markets are experiencing different fluctuations, so it's critical to understand your area. Prices are rising for some as a result of limited inventory. Higher interest rates are also an issue. If they fall, real estate will get a boost. Even if they don't, the industry could spend more, but they need help with messaging. Campaigns that include targeted digital by geography along with radio will produce great results.



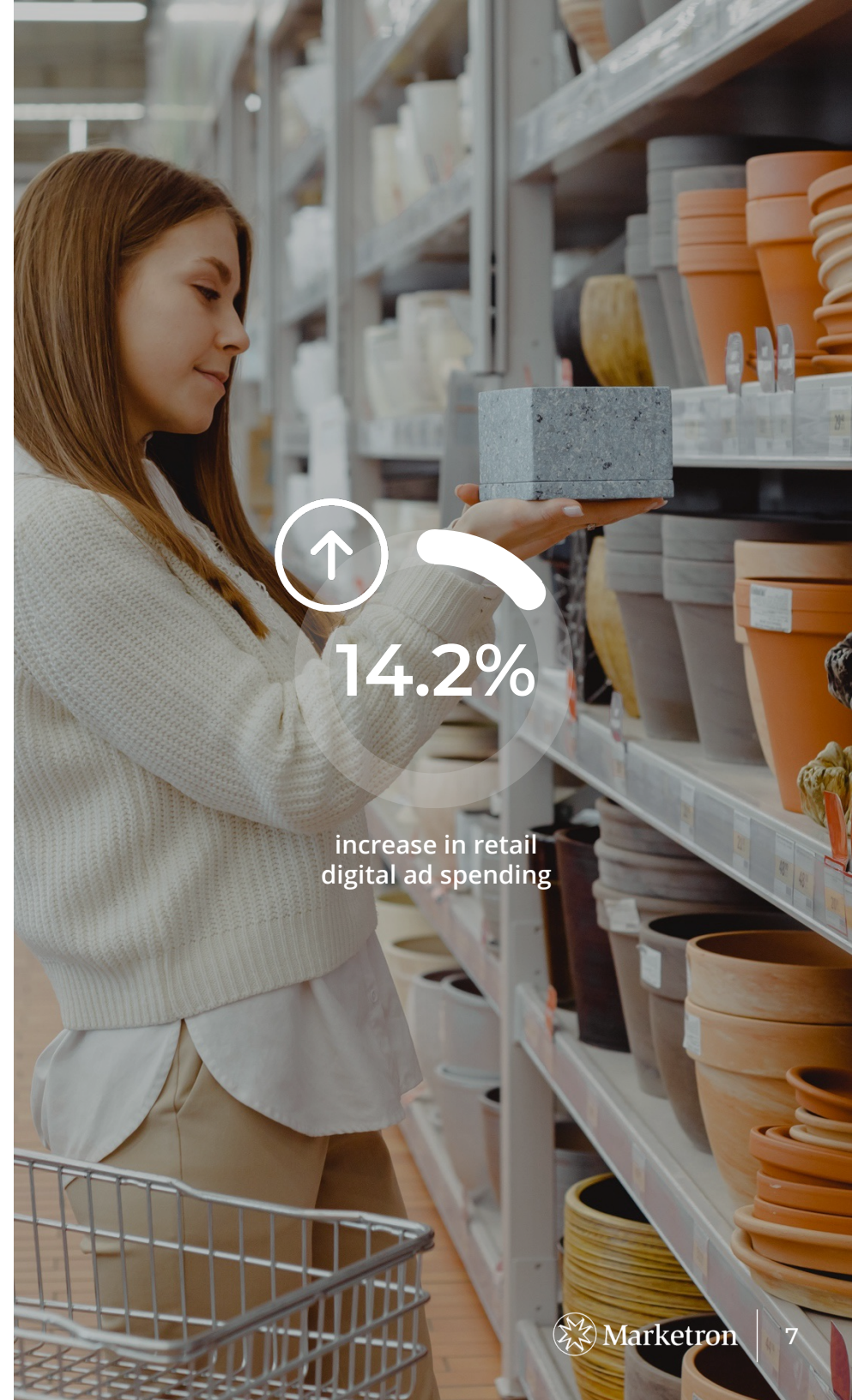


Retail

Insider Intelligence states that retail digital ad spending will increase by [14.2% in 2024](#). Their top tactics for more budget dollars include SEM (search engine marketing) and video. Retailers have many of the same needs as restaurants — employees and competitive advantages.

To help local retailers achieve their objectives, don't just talk about SEM and video. Gather information about their ideal customers to suggest the best ways to reach them. For example, if Gen Z is their primary demographic, advertisers should consider social media sites like Instagram and Snapchat. If they're looking at interest-based targeting, like those who play golf, OTT/CTV could be a good fit.

The best way to improve sales in this industry is to understand the brand, who they serve and their short- and long-term goals.



increase in retail
digital ad spending



Health care

Another vertical to put on your target list is health care. It includes many players — hospitals, private practices, health-related retail, pharmacy and dental. Everyone needs health care, so it's an open audience. The digital ad spend prediction for the industry in 2024 is [\\$19.66 billion](#), a 10.5% increase over 2023.

Some ad trends for health care to consider:

- **Employment gaps:** There are significant health care shortages, primarily in nursing but also physicians, office staff, administrators and other roles. Recruitment campaigns can leverage geofencing.
- **Patients shopping around:** If you're in a midsize or large city, people have options about the doctors they see and the hospitals they choose. These businesses use advertising for brand awareness, promoting their services and showing their connection to the community.
- **More FDA-approved treatments come to market:** The Food and Drug Administration is back on track for getting drugs to market after the pandemic. One example is several weight loss drugs to counter obesity, a leading cause of death in the U.S. Clinics, hospitals and practices that specialize in this may want to promote their services for weight loss, which would be of interest to many in the market.

These are some angles to consider. Again, you'll want to assess the specific needs in your market. Then, address how to accomplish them with advertising.



Tap Into New Revenue with Businesses Outside Your Radio Demographic Ideal Buyers

Your station or stations have defined demographics. That's who's most likely tuning in, and while it tends to be broad, it still has its boundaries. Those are great to know, but don't let them box you in when prospecting for digital customers.

Being able to offer them spot ads is one thing that makes you stand out. However, it doesn't have to limit your prospecting. For example, if your audience skews male, it doesn't mean businesses with more female customers wouldn't be great clients. You can even have conversations about how radio spots have significant reach and will complement digital.

In looking at opportunities outside your radio demographic, follow these best practices:

Audit your radio advertisers by **industry** to see where gaps are.

Research what the most **prevalent company types** are in your area for ideas.

Pay attention to the **digital ads you see** as a consumer on websites, social media, streaming or other mediums. You can find some insights here.

Use your knowledge to **focus on new industries**. If you have a seller with knowledge in a vertical based on past experiences, it's a good start for building a book of business in that category with digital as a focus.

Listen to **who is advertising on other stations** to gather information on who has ad spend in the market but may not be spending with you.

As you prospect outside some comfort zones, you'll learn more with each interaction. In turn, it will **help you perfect** your VBR (valid business reason) and proposals.

A photograph of two men in business suits. The man on the left is seated at a desk, looking down at a document and pointing with a pencil. The man on the right is standing, looking at the document. They are in a professional office setting.

Three

Develop Multi-Tactic, Longer-Term Campaigns with 3-6-5 Proposals

The 3-6-5 framework can apply to any digital campaign, including existing or new business. It's a proven way to expand the number of tactics, duration and budget. Here's how it works.

Scope **three digital tactics** for a campaign lasting at least **six months** with a minimum budget of **\$5,000**.

Why Are 3-6-5 Strategies Effective?

You always want **three digital tactics** to ensure your advertiser is visible to their desired audience across content. Most consumers spend time regularly visiting websites, using search engines, being active on social media and watching OTT/CTV.

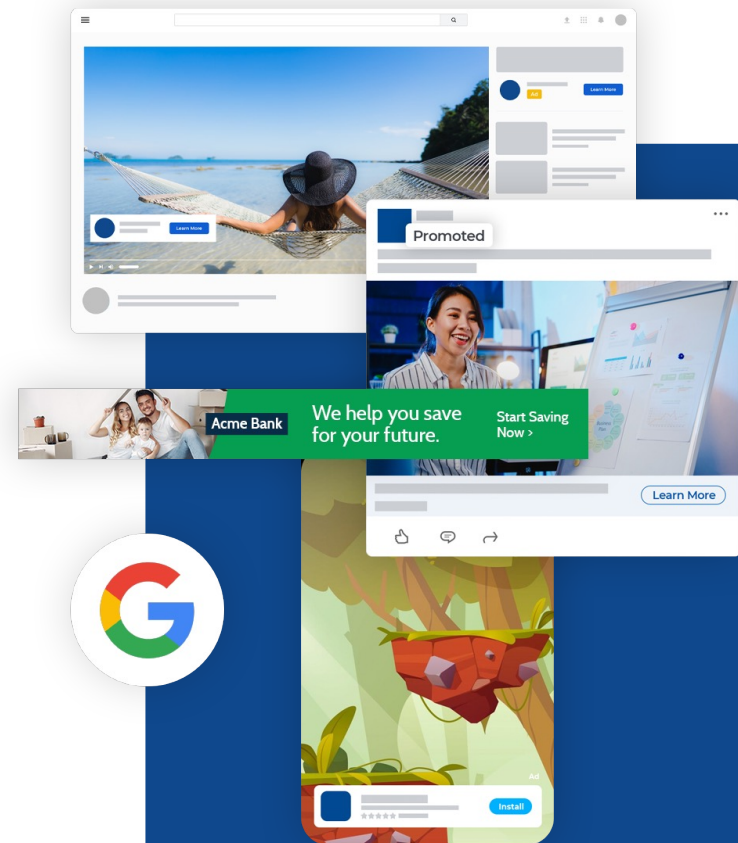
If companies use at least three ad types, they have a better chance of catching someone's attention and being more memorable. People also consume ads differently depending on where they are.

Another reason for grouping tactics is the revenue angle, as each tactic has its own retail cost. For example, selling just local SEM has a low margin. The overall revenue is much higher if you add display and geofencing to this.

The campaign duration of **six months** gives it enough time to perform. That is especially true for SEM and social media ads. With a six-month campaign, there is time for it to perform and reach intended audiences.

The last part is the budget. A minimum of **\$5,000** is necessary to sustain a six-month campaign across three tactics. How you distribute those dollars will depend on the tactics chosen, the goal, and whom the advertiser is targeting.

In addition, you should complement digital with radio spots. Having both ad types provides reach and targeting, and radio lifts the performance of digital.



The mix you recommend depends on the advertiser's goals and audience makeup. Get inspiration for this by using our **Create the Ideal Digital Ad Mix for Your Advertisers tool**.

[Use the Tool](#)



Four

Expand Revenue Possibilities by Prospecting and Pitching to Restricted Categories

Restricted categories have lots of revenue potential. Let's look at **political**, **cannabis** and **alcohol**.



Political

BIA projects that local **ad spending will increase by 2,028% in 2024**. Local digital and radio will both benefit from this boost.

There are rules and regulations to consider when selling political digital or airtime ads. Political ads are a restricted category in programmatic advertising. There are considerations around what is legally permissible by state and what a DSP (demand-side platform) allows. There are also restrictions and rules for political ads on Google and social media sites. OTT/CTV ads do not face the Federal Communications Commission regulatory restrictions; however, some premium publishers have rules around ad content, including guns and profanity. A review process is typical for these buys.

Keys to success include:

Ensure you have a **compliant way** to sell and execute these ads.

Contact candidates or PACs (political action committees) you've **previously worked with** to discuss options.

Identify new **candidates** in your area, and start outreach to their media buyers, especially in races where incumbents are retiring or not seeking reelection.

Mention your **local expertise** and market understanding to showcase your value for statewide races.

Determine if your state is a **swing state**; if it is, you could have a chance to get presidential campaign ad dollars.

Keep in mind any [radio spot rules](#) when working directly with candidates. Discuss the differences in pricing and content rules with any political media buyers when you present them with a proposal that includes digital and linear.





Cannabis

In 2024, U.S. cannabis retail sales will rise to [\\$38.4 billion](#). Cannabis sales are currently legal in [37 states, three territories and Washington, D.C.](#) In the 2023 election, [Ohio residents](#) voted to legalize recreational marijuana.

If you're in one of these states, the opportunity is ripe. Much investment by the legal cannabis industry has been in out-of-home and print because cannabis is still federally illegal. It's also something that's too legally tricky for radio spots.

However, with a third-party digital solution that integrates with an alternative DSP where these ads are accepted, you can sell these businesses trackable, targetable ads.

The ad tactics available include:



Static display
(standard and with geofencing)



Video display
(standard and with geofencing)



Retargeting
(including clicks, impressions and past locations)

For cannabis digital advertising, identify the leading dispensaries in your city and state. Many have multiple stores within a state, and this may impact who the buyer is. Some dispensaries are mom-and-pop shops; others are more corporate.

Once you have this information, you can approach these businesses by demonstrating value and availability. Many dispensaries may be unaware that they can advertise digitally. Focus on the strengths of digital advertising and how businesses can improve awareness and drive traffic to their websites and physical stores.





Alcohol

Alcohol ad spending hit [\\$7.7 billion](#) in 2023, with digital advertising accounting for [30%](#) in 2023, up from 21% in 2019. Alcohol advertising can include campaigns for retailers, online sales, and restaurant and bar offerings. As a result, you have many prospecting options.

Video ads are going to be the best tactic to recommend. They capture the experience and can run on display, OTT/CTV and social media.

Start with local eateries known for their cocktails. Depending on your state, alcohol retail sales differ. Some have ABC (Alcoholic Beverage Control) stores, which are the only places to purchase liquor. In other states, you can buy any product at the grocery store. Understand the dynamics within your state.

Targets beyond restaurants, bars and retailers that only sell alcohol include convenience and grocery stores. Many upscale regional grocery stores have extensive wine selections, and digital advertising can bring more awareness to this.

Alcohol advertising is also permissible on radio, so you can suggest these ads as well. Late afternoon spots would be ideal for commuters.





Five

Adopt Technology That Streamlines the Processes, Enables Converged Selling and Protects Margins

The final way to grow ad revenue is the foundational piece that enables selling. If your tech doesn't make it easy to sell and execute campaigns, it's not doing its job. At the top of your list of evaluating options should be who the intended users are. Most are designed for agencies or enterprises. What you want is a system built for local media sellers.

Here are the other features to
add to your criteria:



01

A system that covers the entire lifecycle:

Proposals, orders, reporting and billing



02

Linear + digital:

The platform should enable you to build campaigns for digital and airtime spots in one place.



03

The range of tactics:

Display, video, geofencing, OTT/CTV, social display, social media, SEM, retargeting and streaming audio



04

Easy-to-understand analytics:

Look for a system with intuitive reporting and transparent performance metrics.



05

Targeting capabilities:

Geography, demographics, interests and behaviors (These vary by tactic.)



06

DSP considerations:

DSPs connect to third-party digital platforms and allow real-time bidding on ad space on websites from various publishers. Not all are the same; many have a lot of “junk” inventory that your advertisers wouldn’t want to appear on. You’ll also need access to a compliant DSP for restricted categories.



07

Simple, easy workflows:

The solution should create efficiency and leverage automation.



08

Integration capabilities:

Radio traffic systems, CRM (customer relationship management) software and other sales tools



09

Ad ops functionality:

Choose a platform that does the ad ops (execution of the ads) for you, so you don’t incur the expense of doing this in-house. This will improve your margins.



10

More than technology:

A true third-party digital partner offers training on the software and selling, digital expertise support, robust onboarding plans, and sales enablement resources.

**A solution with all these capabilities
supports every element in selling, helping you
win more, faster.**

Make Growing Digital Advertising Revenue in 2024 Even Easier with Marketron

You have a formula for success, and its foundation is the only third-party digital solution created for local media sellers: Marketron NXT.

NXT is simple, comprehensive, feature-rich and cost-effective. It's more than technology — it's a revolutionary way to optimize selling and improve revenue. It also consolidates digital and linear selling in one system.

Our clients see:

20%
average
increase in
sales activity

37%
average close
rate
(vs. industry
benchmark of 20%)

76%
average
increase in
order volume

Achieve all your revenue goals with a more reliable and strategically designed platform.

See how it works today.

Request a NXT Demo