World Federation of Advertisers

Media inflation set to rise in 2025 and 2026 according to WFA Outlook report

Nine out of 10 top global markets expected to see inflation rise more than in 2024

Rising media inflation will be the story of the next two years, according to the latest WFA Outlook report, which for the first time includes predictions for the world's top 10 media markets two years ahead.

The second edition of **WFA Outlook 2024**, our industry-wide poll of media price inflation forecasts, reveals 2024 media price inflation forecasts have picked up slightly from 3.1% forecast in April to 3.3% now, with increases in US and Western Europe offsetting forecasted reductions in China and Japan. And this pattern of increasing media price inflation looks to be the story for the next few years.

Looking ahead to 2025, the report forecasts that nine of the top 10 global media markets will see greater media price inflation in 2025 than 2024, led by the US rising from 2.1% in 2024 to 2.3% in 2025. The one exception is the UK, but signs of rising prices are present there too. We note forecasters on average revised up their 2024 inflation forecasts by more than a full percentage point (from 2.8% to 3.9%) between April and August this year.

For the first time, WFA Outlook also includes preliminary 2026 forecasts for the top 10 markets, with inflation expected to accelerate significantly. India stands out with consistently high levels of media price inflation, with 8% in 2024, 9% forecasted for 2025 and 9.6% forecasted for 2026. The US is forecast to see 3.9% inflation in 2026, China 5.4% (from 3.6% in 2025), and Japan 3.1% (from 1.8% in 2025).

Perhaps better news in Turkey and Argentina, where media price inflation levels are currently predicted to start their reductions from extreme highs. Having said that, reductions from c. 80% to 60% (Turkey) and c. 200% to 80% (Argentina) show both these markets remain far from the stable situation the industry requires for efficient planning.

"With this second edition of Outlook for 2024 we can see how the forecasted economic improvement in 2025 feeds through into forecasted increases in media price inflation. Whilst the global aggregated figures quoted will not apply equally to every advertiser or media owner, the data sheet offers valuable insights for planners to leverage as they move deeper into the 2025 planning process," said **Tom Ashby, Global Lead, Media Services at WFA.**

WFA Outlook is compiled from aggregated, anonymized, media price forecasts provided on a voluntary basis by nine participants (including media agency groups and consultants), covering 14 media channels across 41 markets, offering a nuanced view of the global media landscape.

The report also includes more detailed TV data for the US and UK. US figures for 2024 show a forecasted easing of media price inflation compared to the forecasts in April, but participants noted these predictions have been made before the presidential race hits the most budget-intense weeks and there could still be revision upwards.

TV viewing in the UK dropped significantly Q2 2024, causing a sharp increase in cost per viewer, particularly among the more desirable demographics. While the April poll results forecasted a c.18% increase for Q2, prices actually rose by c.28%. This extreme situation shows how plans need to remain fluid, as even longstanding media channels in the most developed markets can still spike unexpectedly.

The potential good news for planners is that with exceptions, media prices are generally forecast to rise by mid-to-high single digits for most media channels in most markets. Whilst absolute budget levels may require adjustment to maintain media weights (depending on the individual needs of organisations), perhaps this will provide planners more certainty about shares of budget across and within markets.

And finally, the second edition of WFA Outlook 2024 also suggests that global digital retail media price inflation has eased slightly for 2024, with the forecast dropping from 4.8% to 4.5%. The rise of retail media has been the story of the recent past, attracting ever-increasing shares of budget and attention and, whilst not without its challenges, any signs of calming and perhaps improved maturity in this media channel will be welcomed by advertisers.

With many thanks to the contributors to WFA Outlook: