

The Local Media Landscape

Shifting to Digital & Local Underwriting

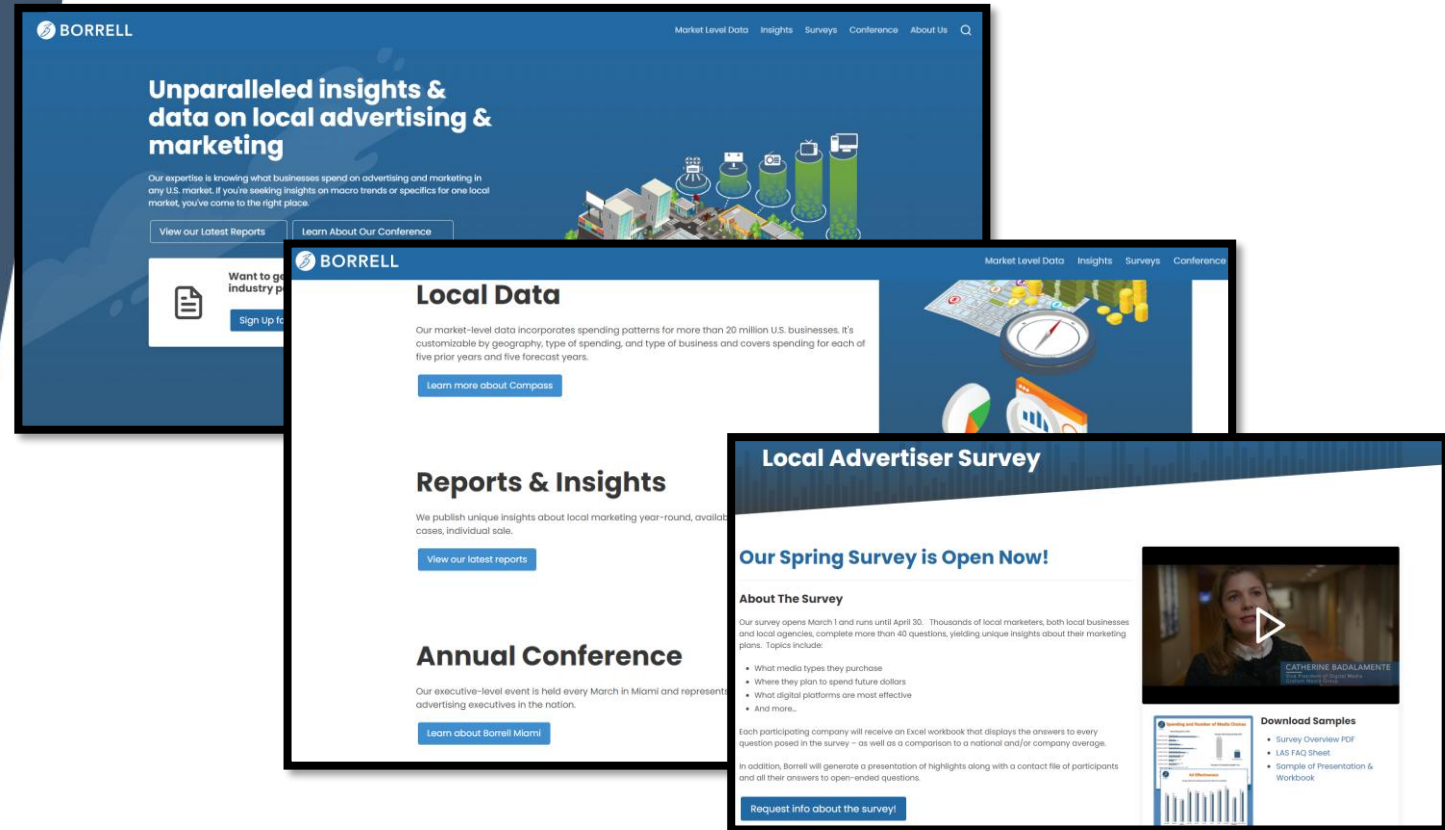
Presented by Corey Elliott, July 9, 2026

Local Insights on Marketing Expenditures

- Maintain Database of Expenditures
- Write papers
- Consult
- Identify trends
- Establish marketshare

Collect, Analyze, Model, and Project

- Ad spending
- Promotions spending
- Digital Services spending

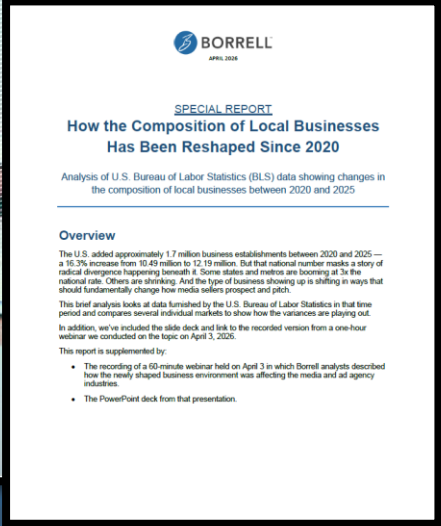
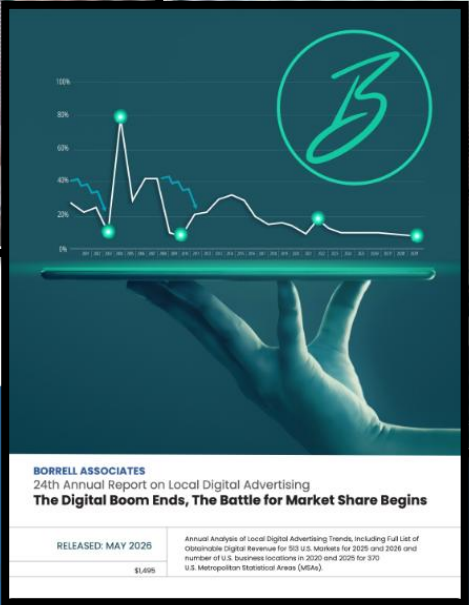
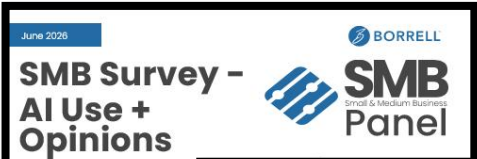


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THE
DATA
JESTER



And Other 3rd Party Sources



Where did this information come from?

We're going to discuss...

The Market

Where Local Advertising Stands Right Now

The Buyer

What Main Street is Actually Experiencing

The Play

What to Do About It

DISCLAIMER

The word “Advertising” will be used in this presentation.

GENERAL POSITION STATEMENT

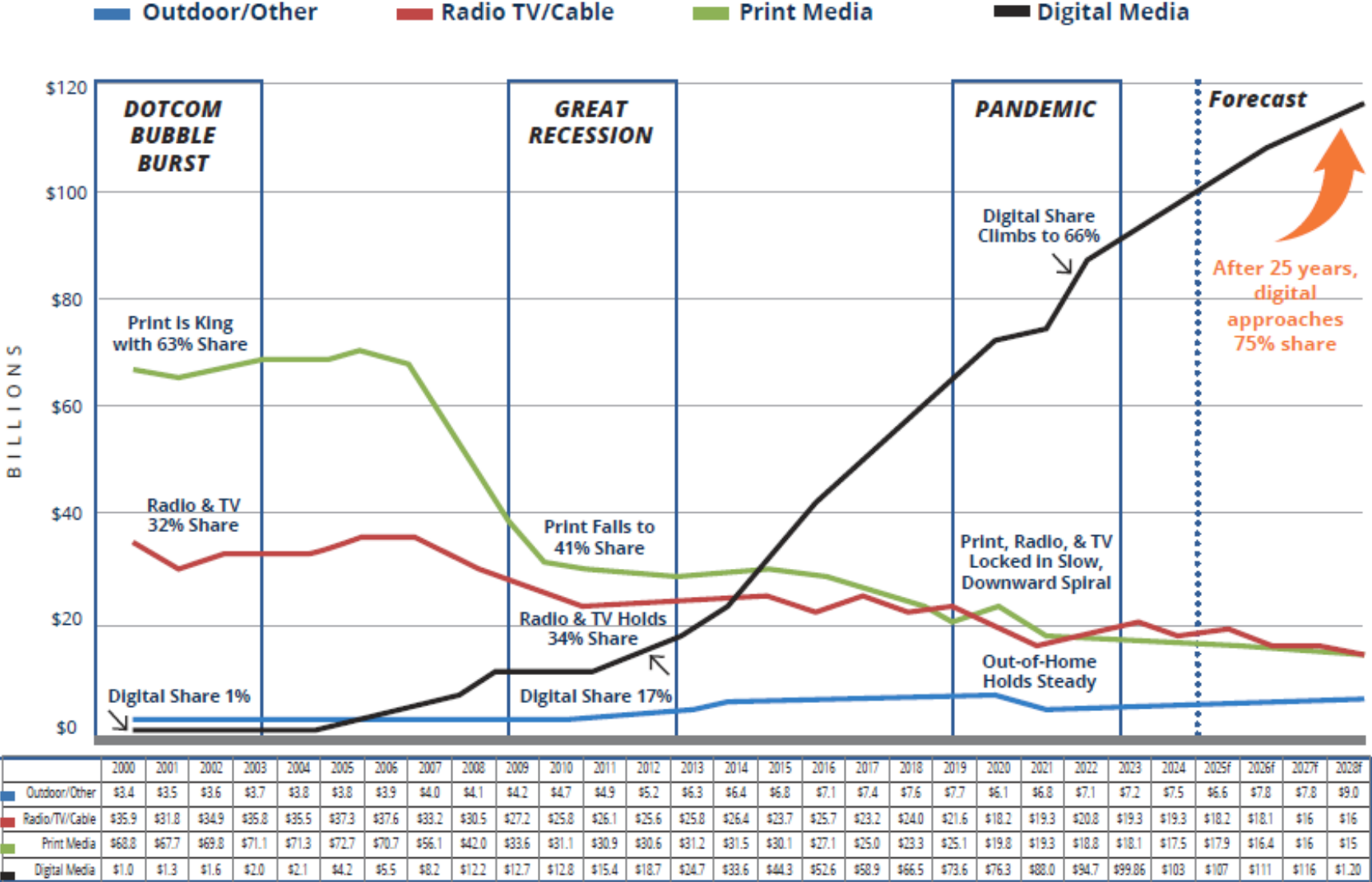
**The FCC regulates your signal.
Not your website.**

Let's begin...

THE MARKET

**Where the money went.
And where it is still going.**

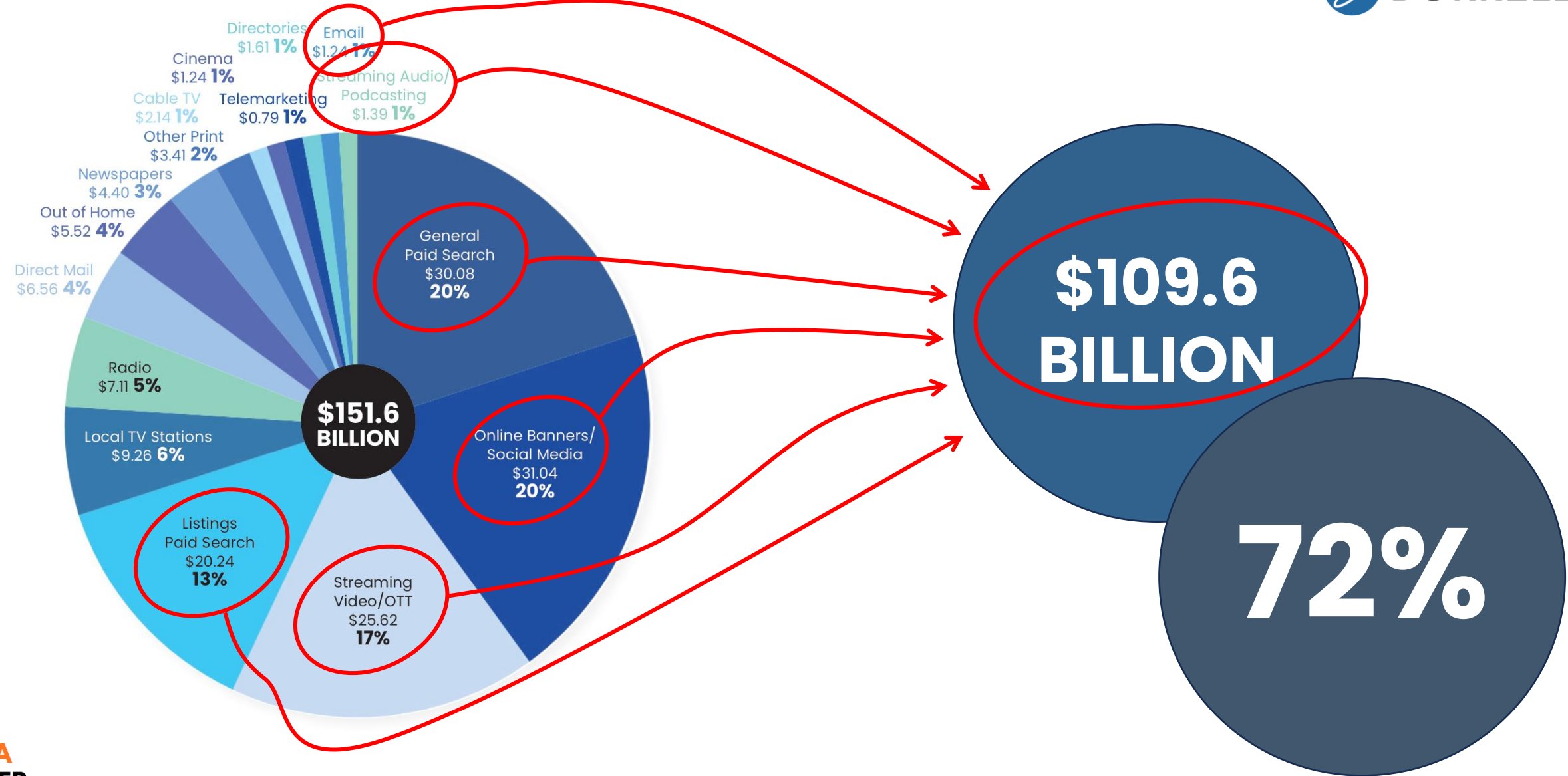
Three Events Shaped Local Marketing



Source: Borrell's Ad Spending Database
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The Local Advertising Pie in 2025

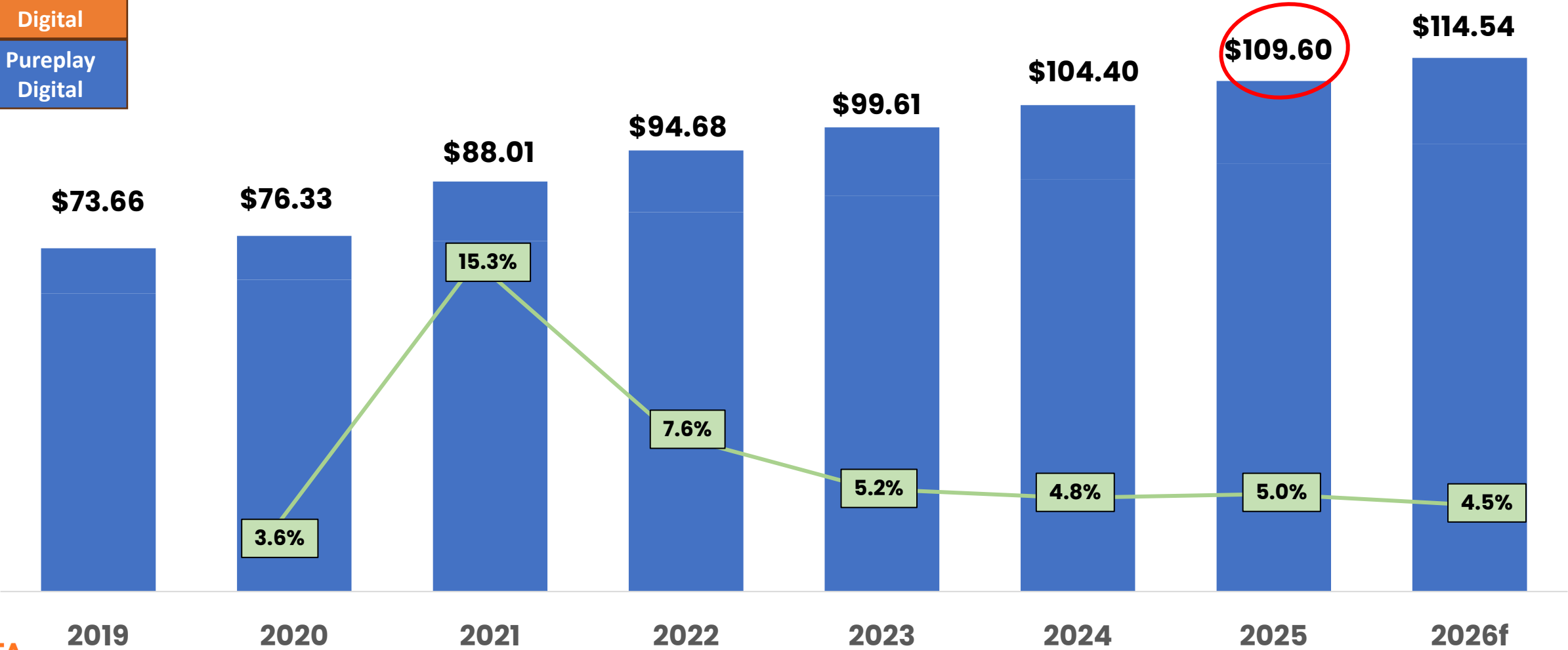


The Growth of Local Digital Advertising



Obtainable
Digital

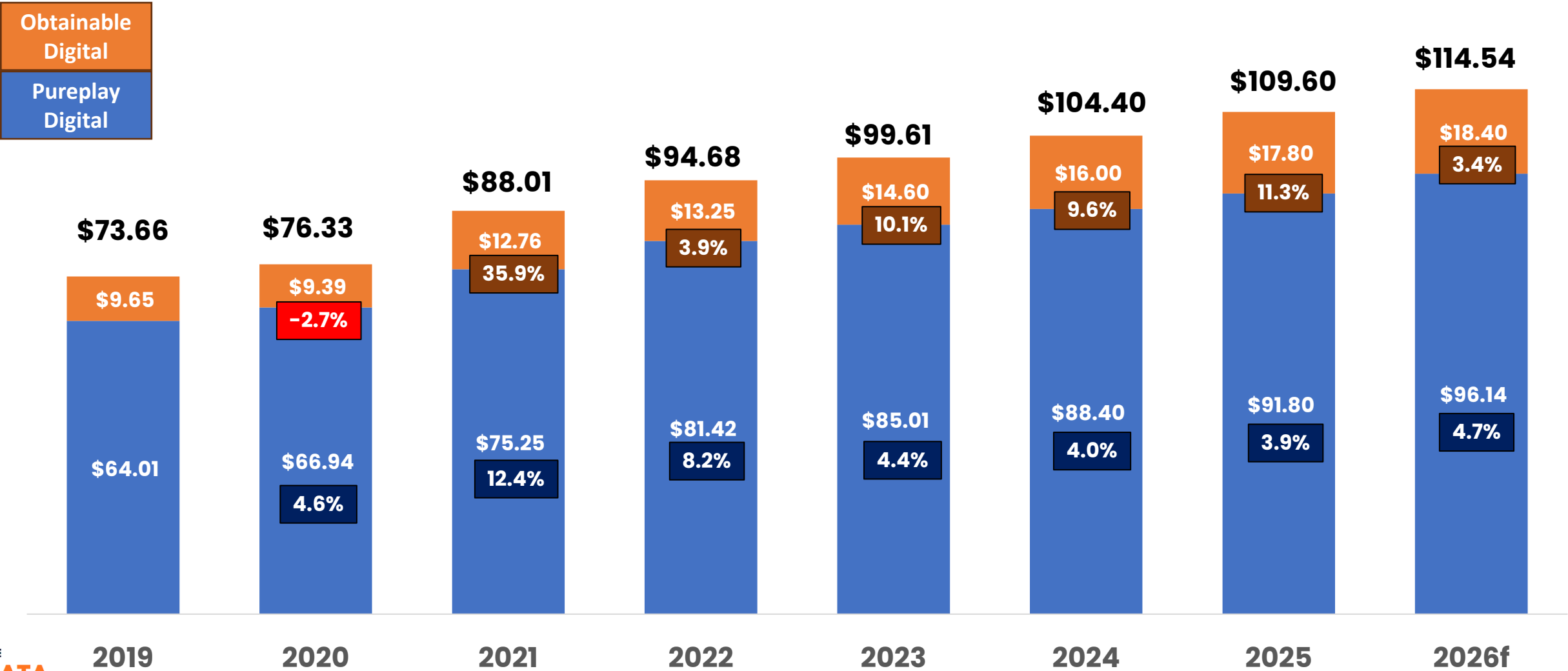
Pureplay
Digital



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DATA
JESTER

In \$ millions

The Growth of Local Digital Advertising



Digital is not one thing

It's six(or more) things wrapped up together

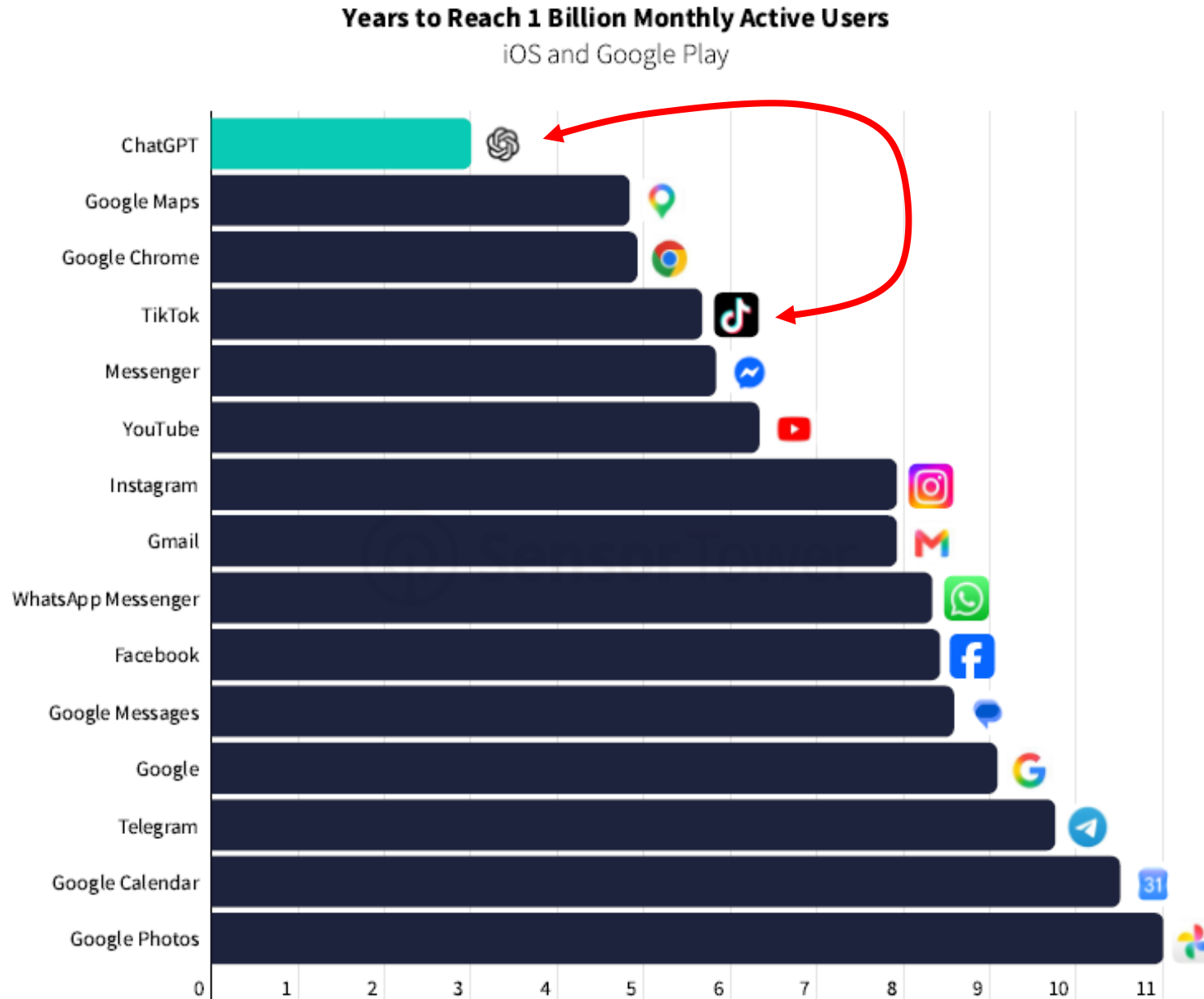
- **Search / SEM**
- **Social Media**
- **Streaming / OTT / video**
- **Programmatic Display**
- **Digital Audio**
- **Email**

- **AI-Driven Discovery**

+50%

Traffic drop reported by several major publishers since AI rolled out

ChatGPT hit one billion users faster than any app in history



Source: Sensor Tower
Note: Years determined using the earliest release date across iOS and Google Play for each app. TikTok includes the launch of musical.ly before it was acquired by ByteDance.



Spending on Creatives Featuring AI-Related Terms Reached \$1.3 Billion



Investment in AI Messaging Reached New Highs

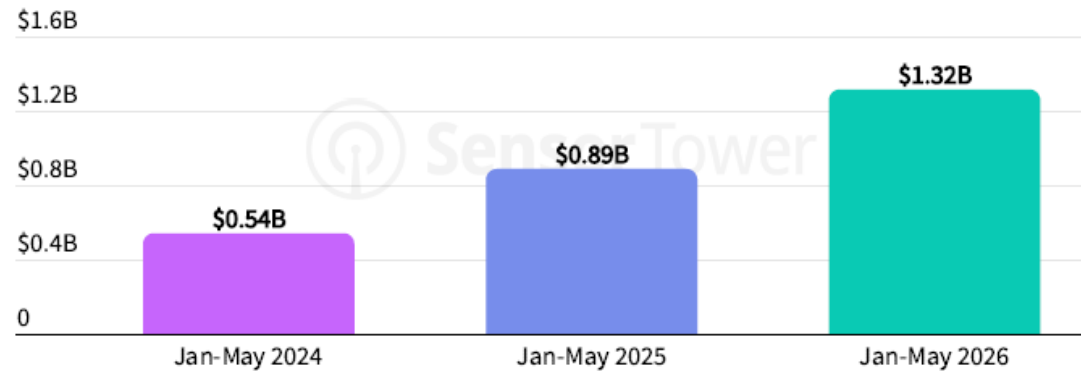
AI-related messaging gained further traction among advertisers in 2026. Digital ad spend on creatives featuring AI-related terms reached \$1.3 billion, up 48% YoY, while impressions climbed to 167 billion, a 46% increase from 2025.

Growth extended well beyond Software. Health & Wellness led major categories with a 165% increase in ad spend on AI-related creatives, while Financial Services, Business & Industrials, and Media & Entertainment each recorded growth of more than 60% YoY. The trend highlights how brands across industries are increasingly leveraging AI messaging to differentiate products and capture consumer attention.

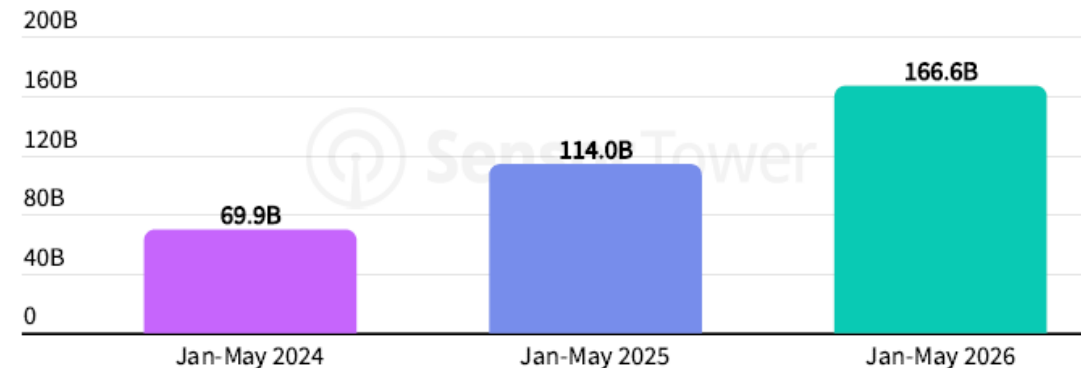
Digital Advertising Spend and Impressions for Creatives with AI-Related Terms

United States

Ad Spend



Ad Impressions



Source: Sensor Tower
Note: Includes ad creatives that mention "AI", "GPT", "OpenAI", "artificial intelligence", "machine learning", "LLM", or "large language model".

AI Picks Winners

The gap between trusted and everyone else is 3x

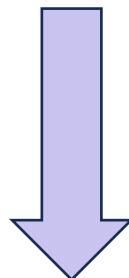


Average Citations

Percentage of Brands Domains Cited by AIs as Sources

16.05%

84% do not



Domain Citations:

AIs directly cite a brand's domain in only ~16.1% of responses (overall average). This means **most responses do not include the brand's own domain**, highlighting an opportunity to build greater authority. Additionally, each AI model references between 6 and 27 distinct domains per response - some engines rely on fewer sources, while others aggregate content from multiple sites, varying the diversity of references.

Average Brand Mentions

Average Brand Mentions Per Company

Top Brand
56.48%

Average
16.30%

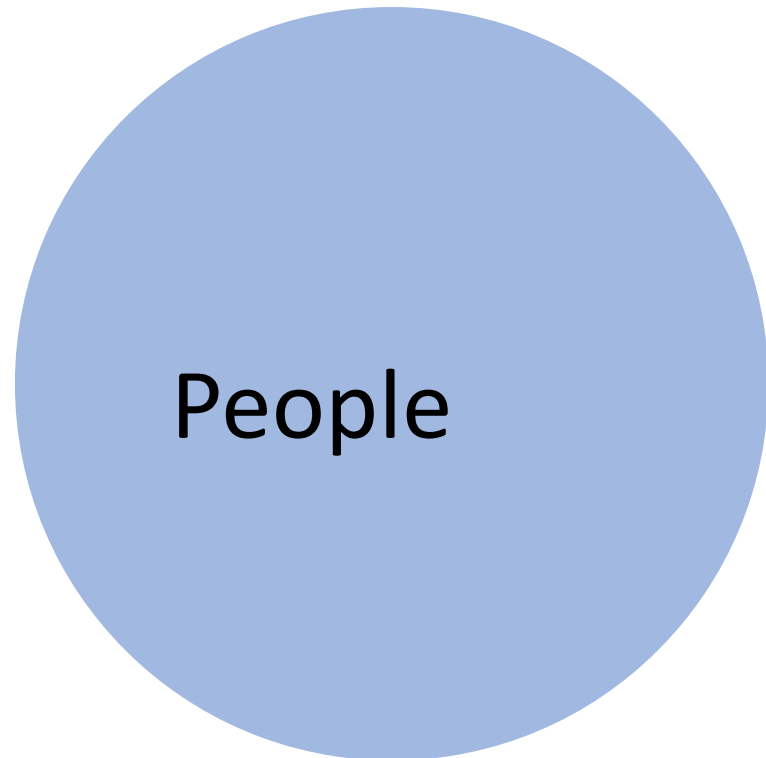
TOP BRAND HAS
ON AVERAGE **3X**
SHARE OF VOICE

What could this mean for Public Media?

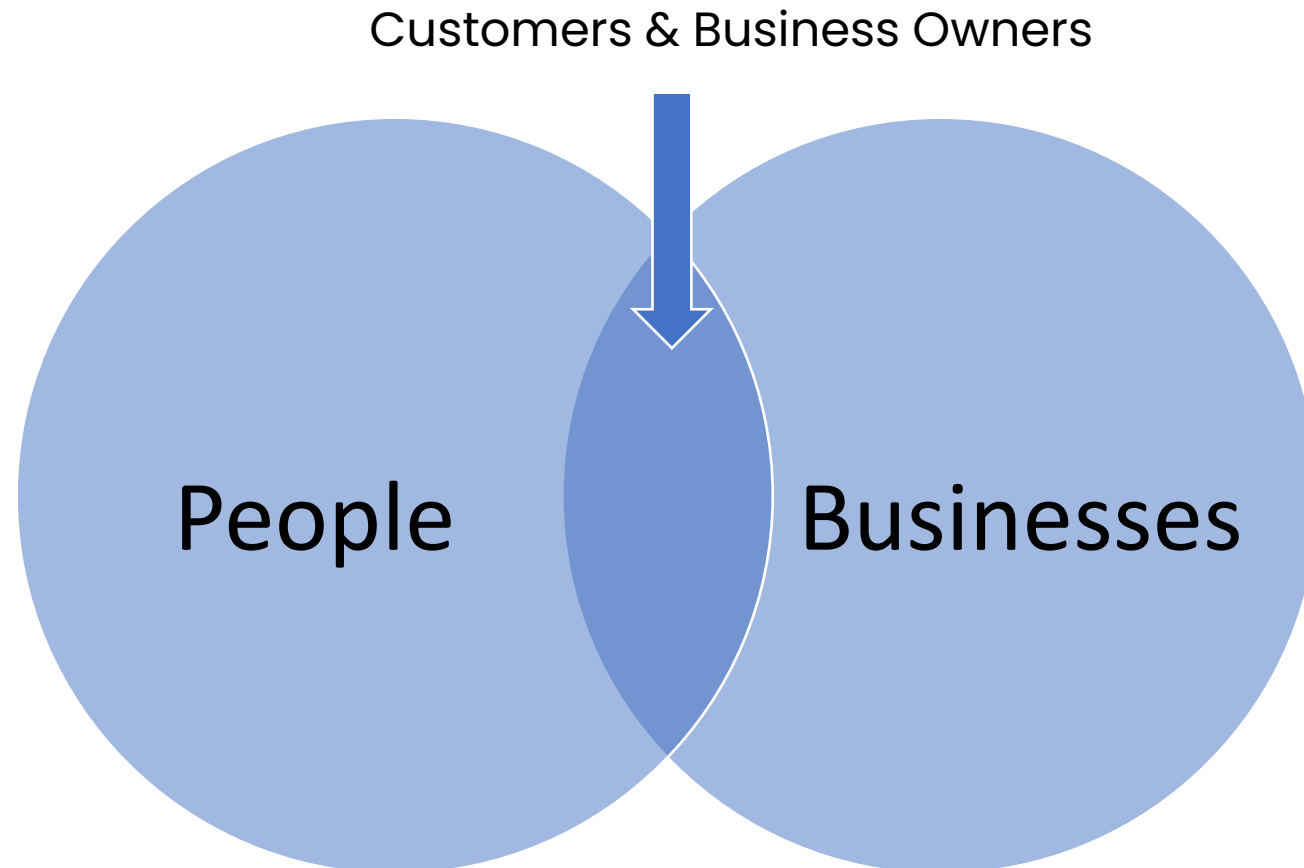
- **Commercial stations spent 15 years selling bad digital products.**
- **Banner ads that didn't work. Packages that confused clients. Dashboards nobody read.**
- **Your prospects don't associate you with any of that. You get a clean entry.**



A market framework



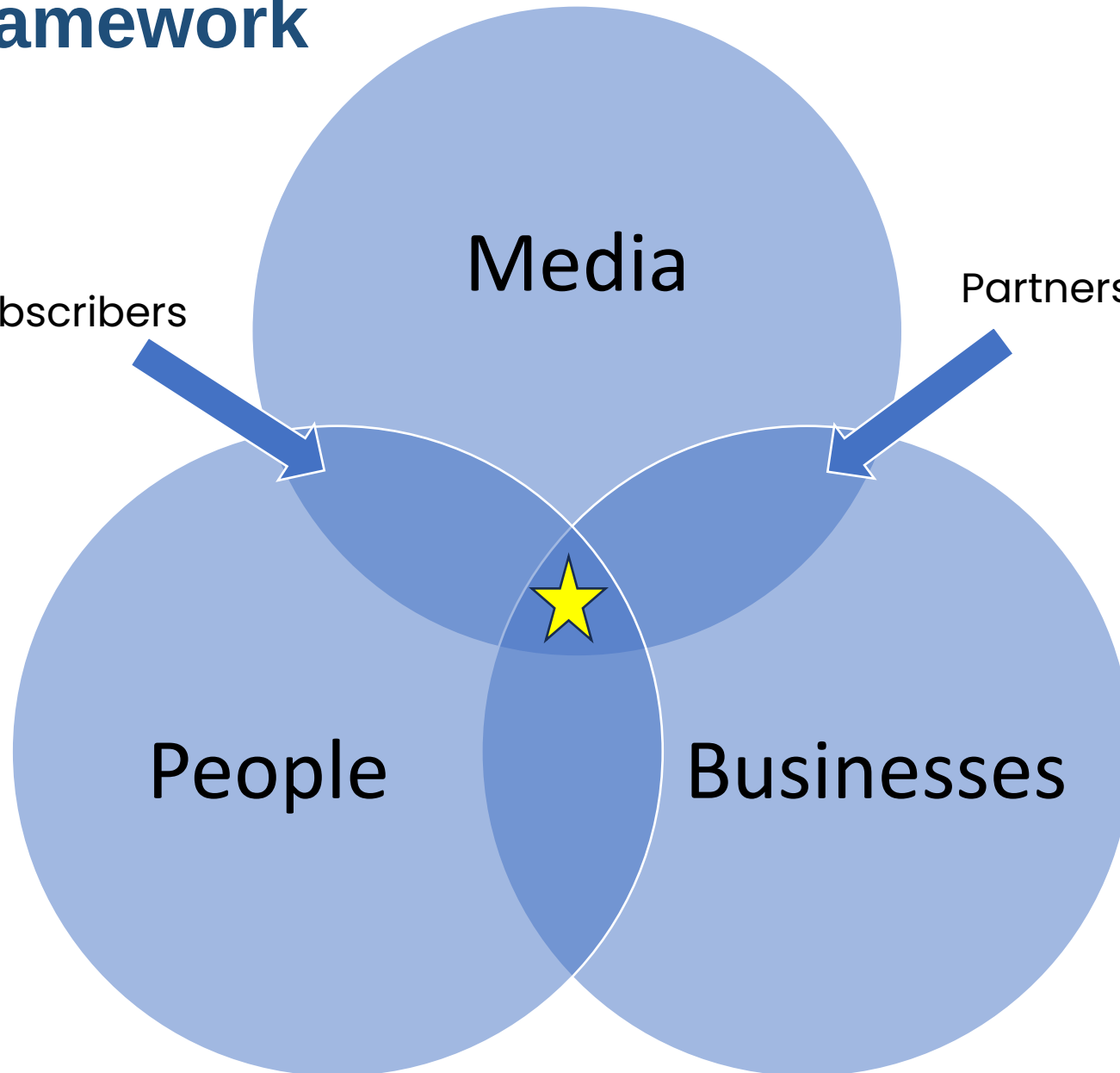
A market framework



A market framework

Audience & Subscribers

Partners & Supporters



THE BUYER

What Main Street is actually experiencing right now.

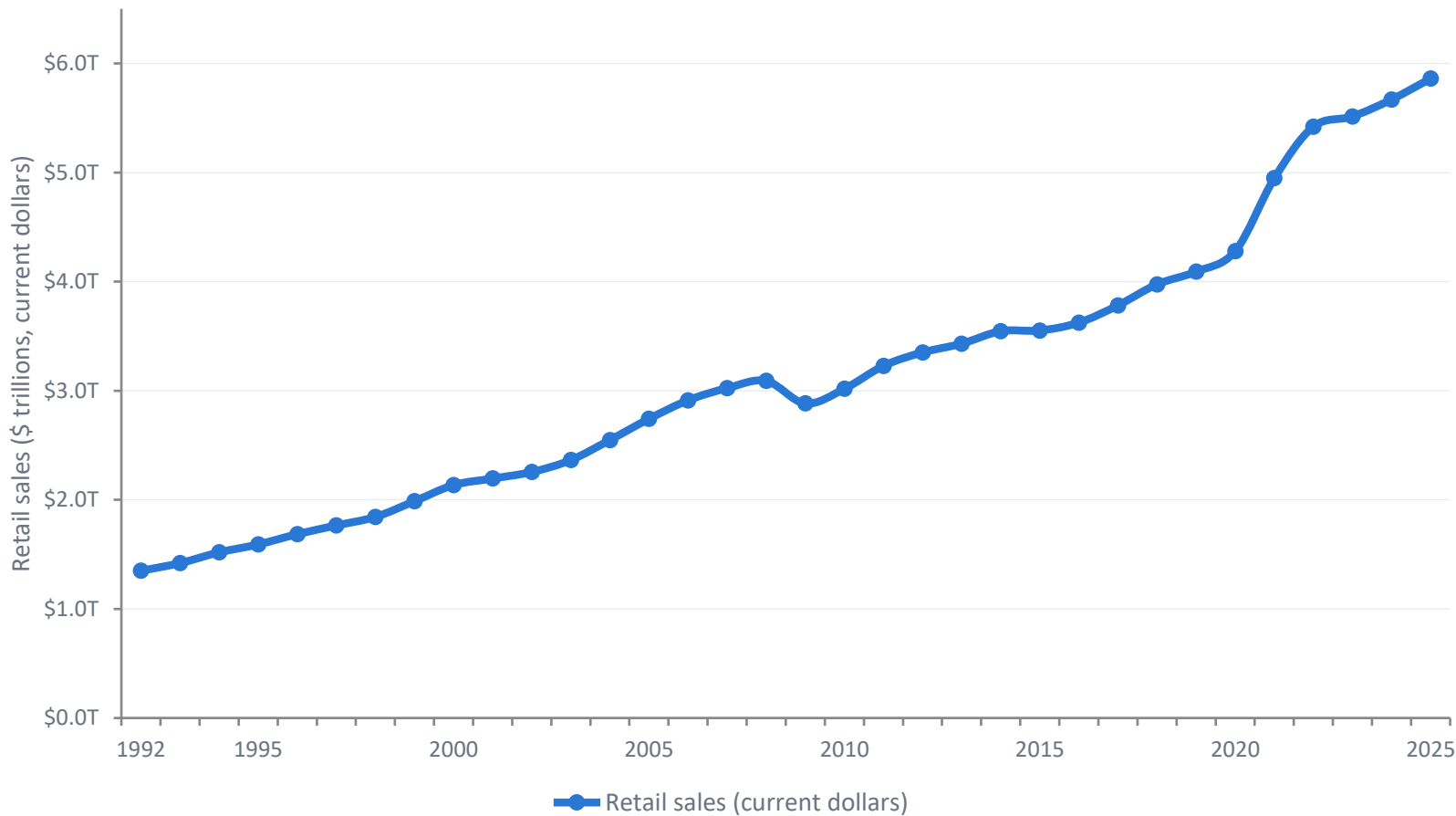
Let's start big picture...

Retail sales have gone up. And up. And up.



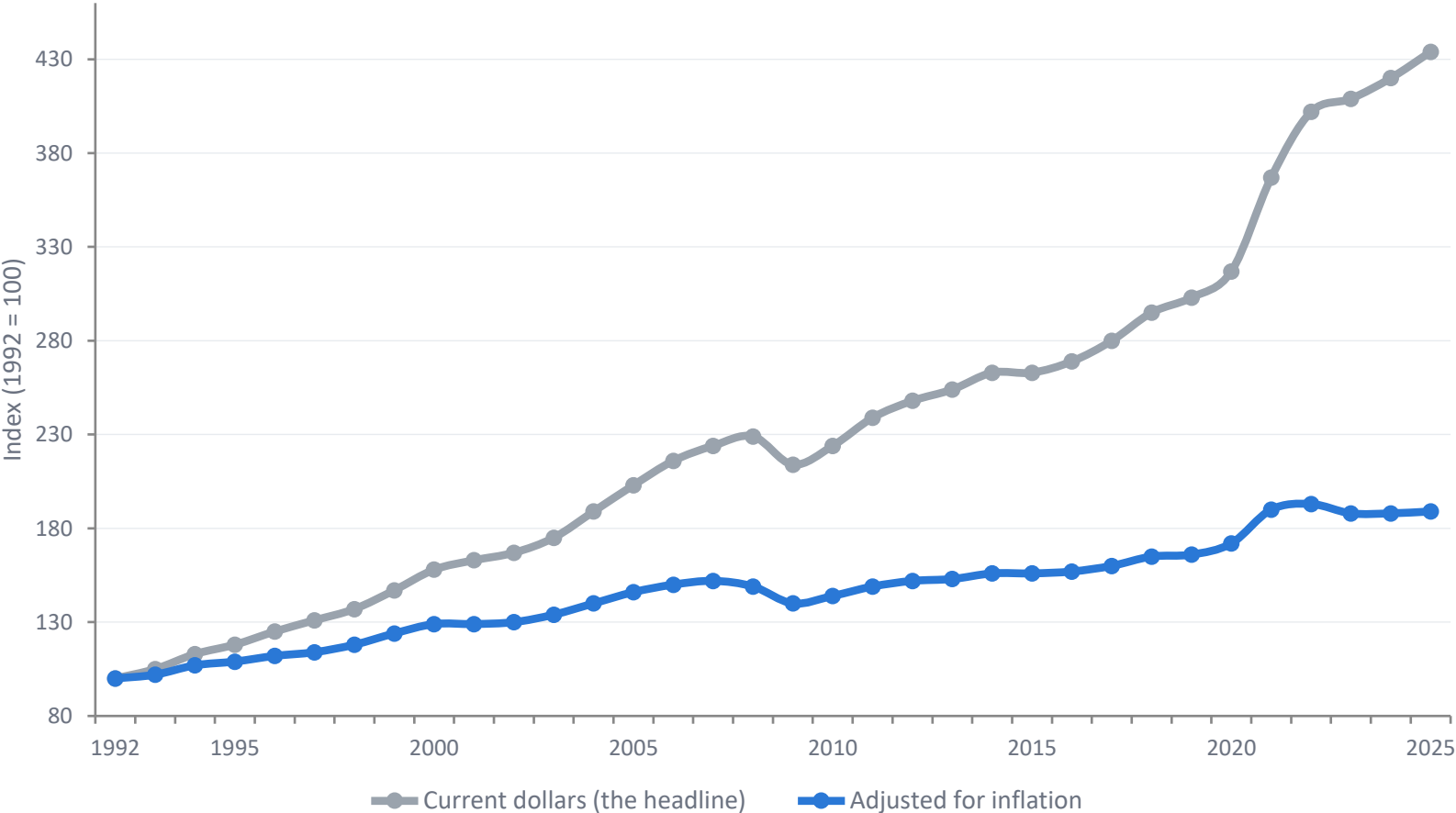
+334%

Total retail sales* growth, 1992 → 2025 (current dollars)



*Retail sales excl. motor vehicles & parts (Census MRTS, not adjusted).

Strip out inflation... and two-thirds of the “growth” disappears

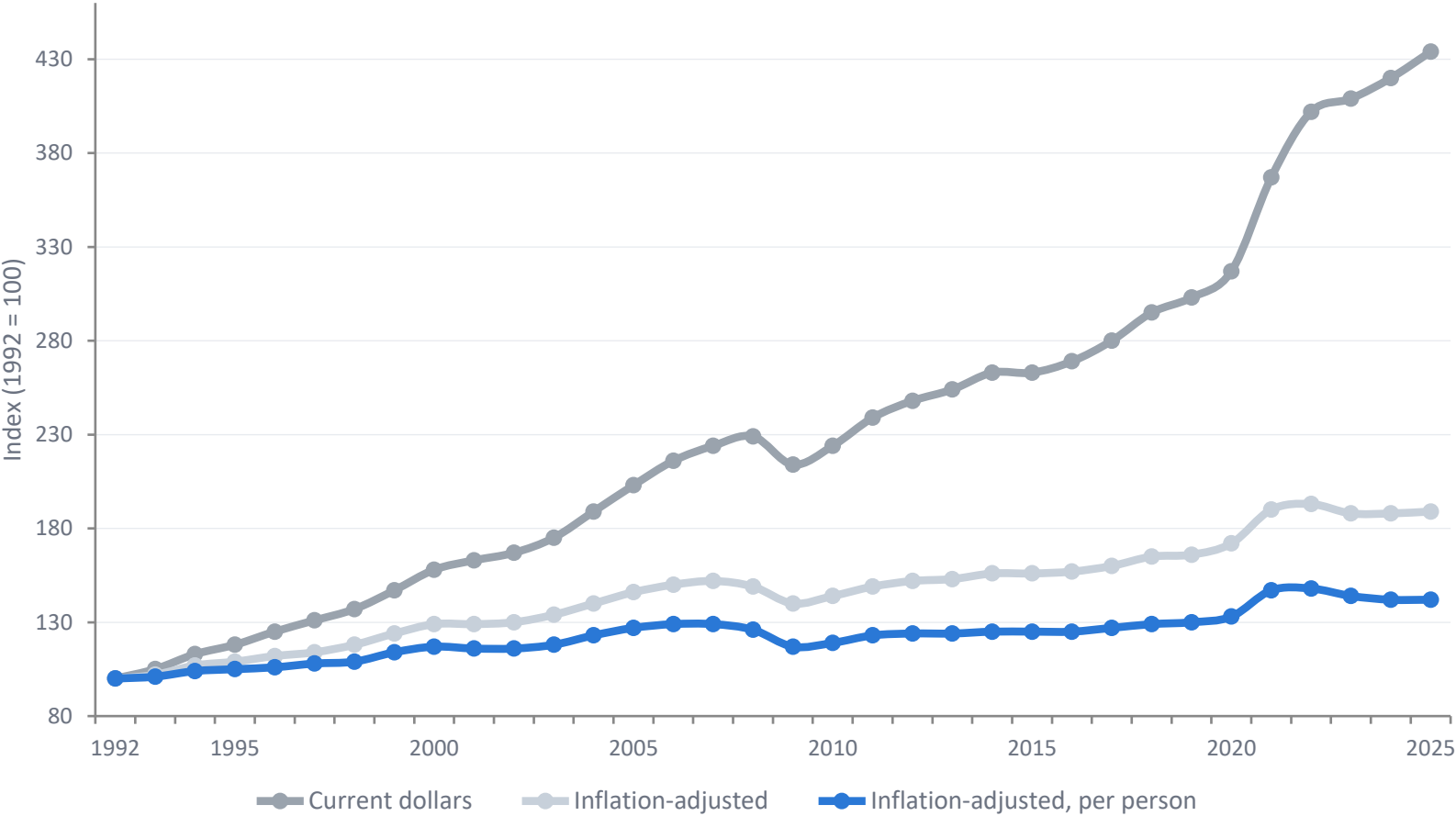


+89%

Real growth after inflation —
down from the +334% headline

**Retail sales excl. motor vehicles & parts (Census MRTS, not adjusted).*

Now divide by people.
There are 85 million more of us.



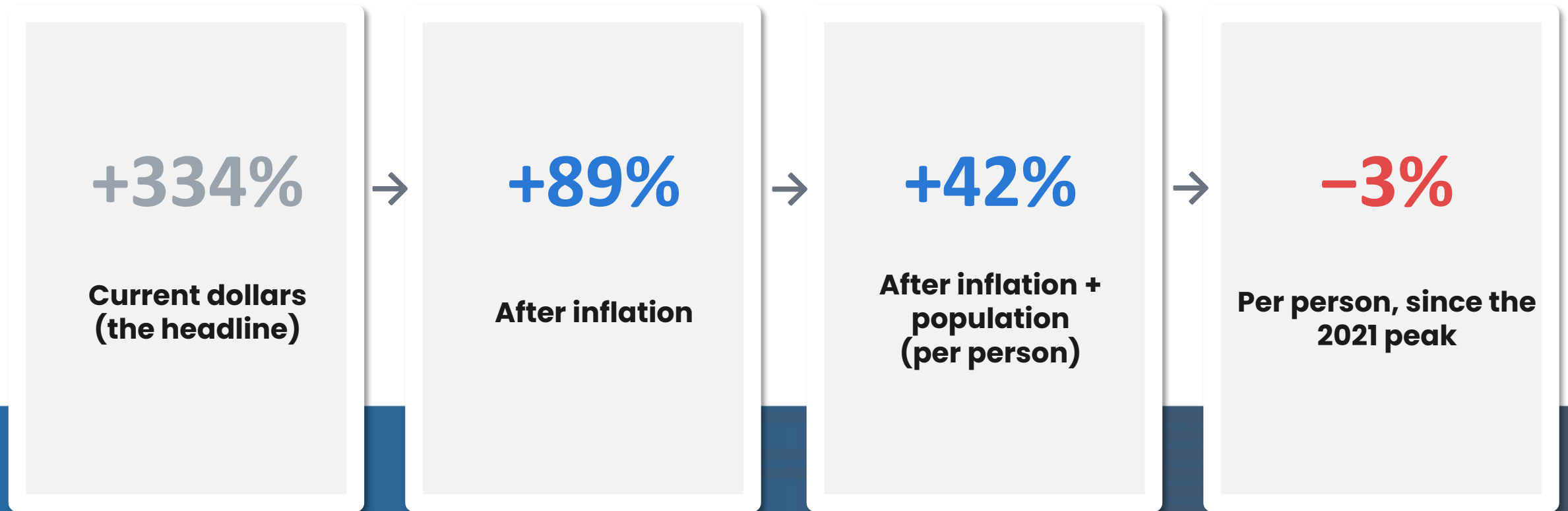
+42%

Real growth PER PERSON, 1992–2025 — about 1% a year

How to read: each line is indexed to 1992 = 100, so 200 = double the 1992 level — it lets us compare growth on one scale.

*Retail sales excl. motor vehicles & parts (Census MRTS, not adjusted).

How one “+334%” becomes the truth



The chart still points up. The SMB is treading water — actually losing a little ground since 2021.

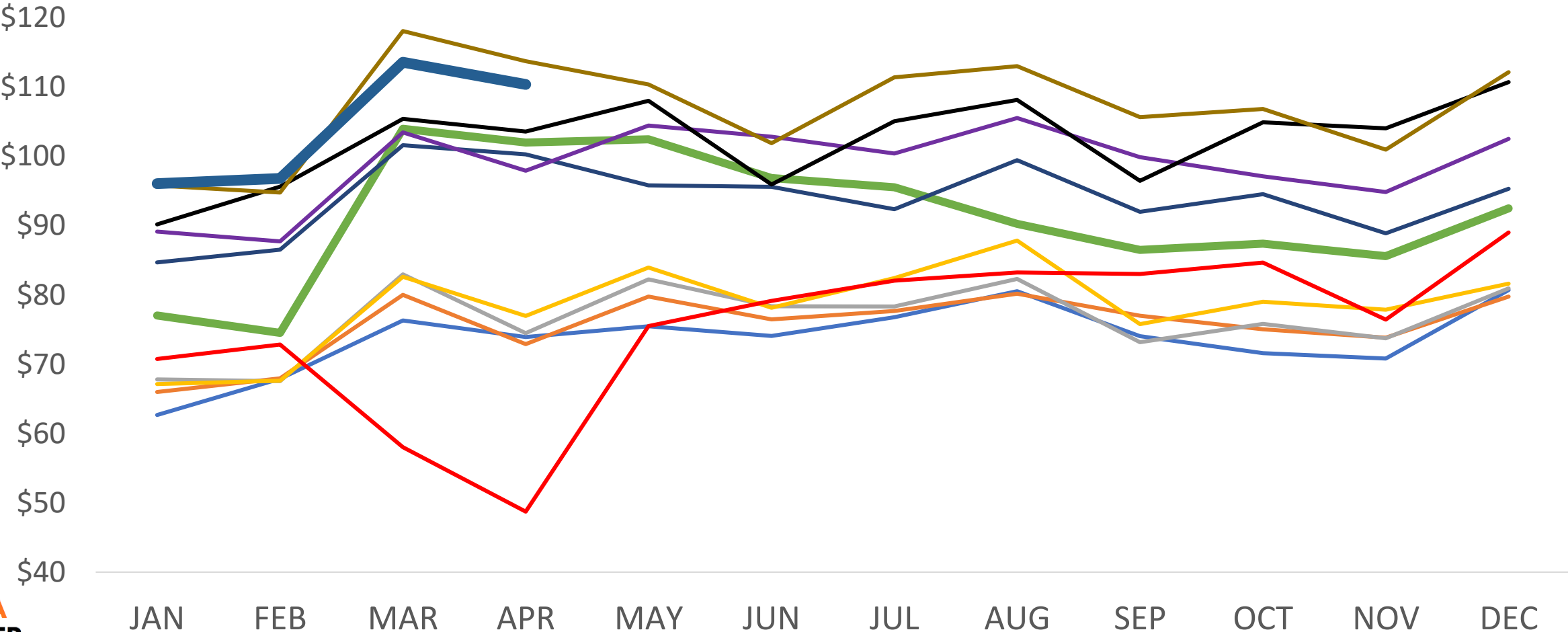
Monthly Retail Sales



New Car Dealers

BILLIONS

—2016 —2017 —2018 —2019 —2020 —2021 —2022 —2023 —2024 —2025 —2026



Car dealers: more dollars, less metal



+36%

Dealer revenue, 2019 → 2025

-8%

New vehicles sold per person

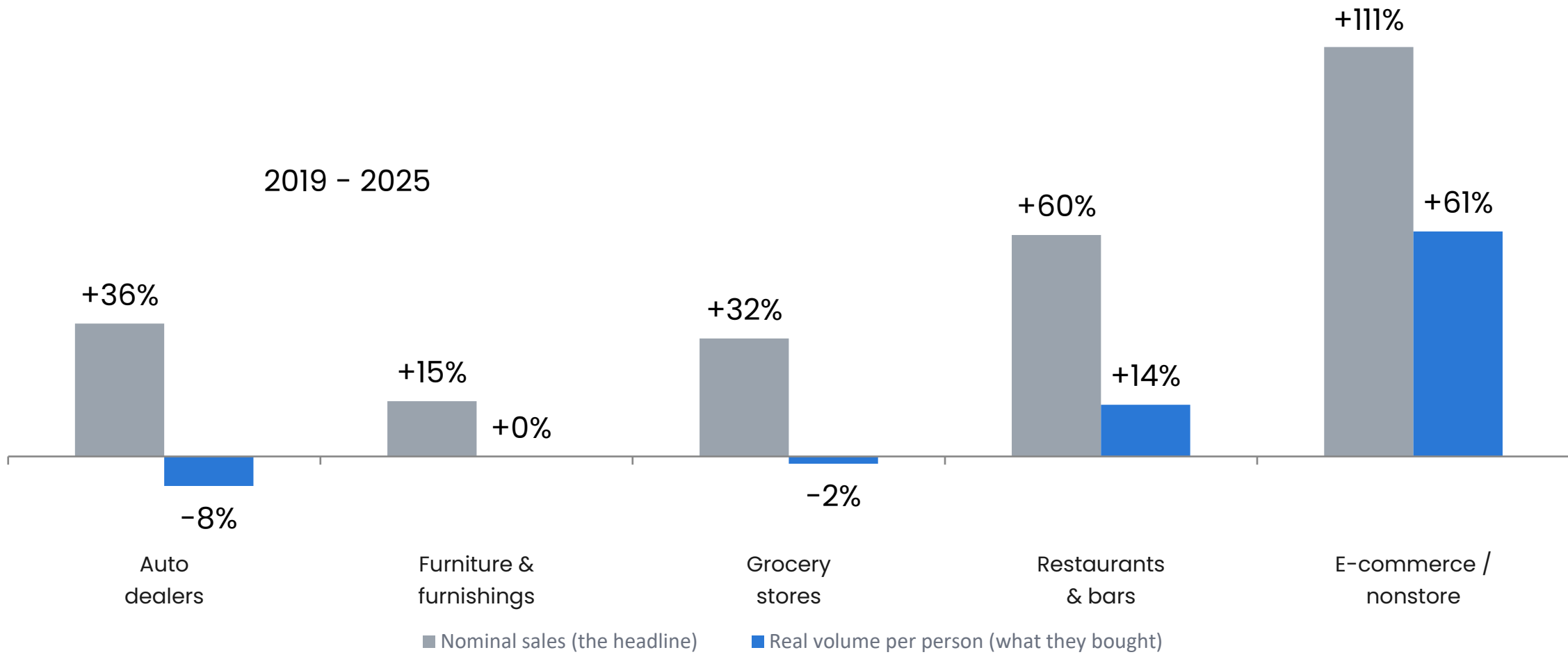
\$37.6k → \$50k

Average new-vehicle price (+34%)

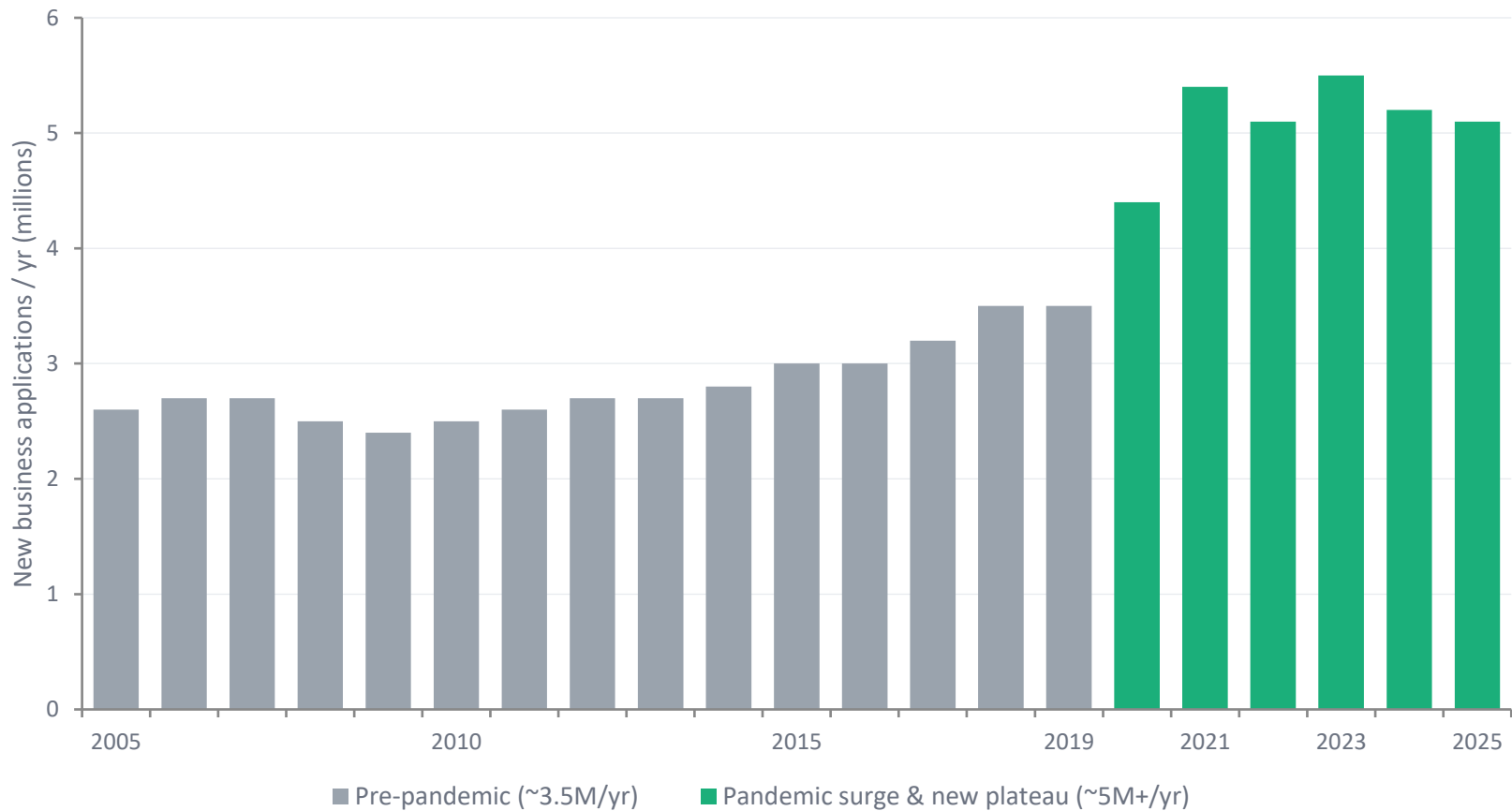
The entire revenue story is price. Americans bought **fewer cars** in 2025 than in 2019 — the lot is moving less metal and booking more dollars. The topline feels like a boom; the showroom floor doesn't.

Strip out price.

How much did people actually buy?



A record wave of new businesses — chasing a pie that isn't growing



+50%

more new businesses per year vs. pre-2020 — record competition

Census Business Formation Statistics. Many filings are gig/non-employer; the employer-likely subset is roughly a third.

This is the current Main Street reality

- **Retail Sales are UP!**
 - But not really
- **Fewer units**
- **Shrinking wallet size**
- **More rivals**
- **Growth leaking to Amazon**
- **General uncertainty**

**So....what is the current
state of the local
marketer?**

What % of Local Businesses “Do It All”?

Q. First, which of the following best describes your role in marketing tasks at the company you work for?

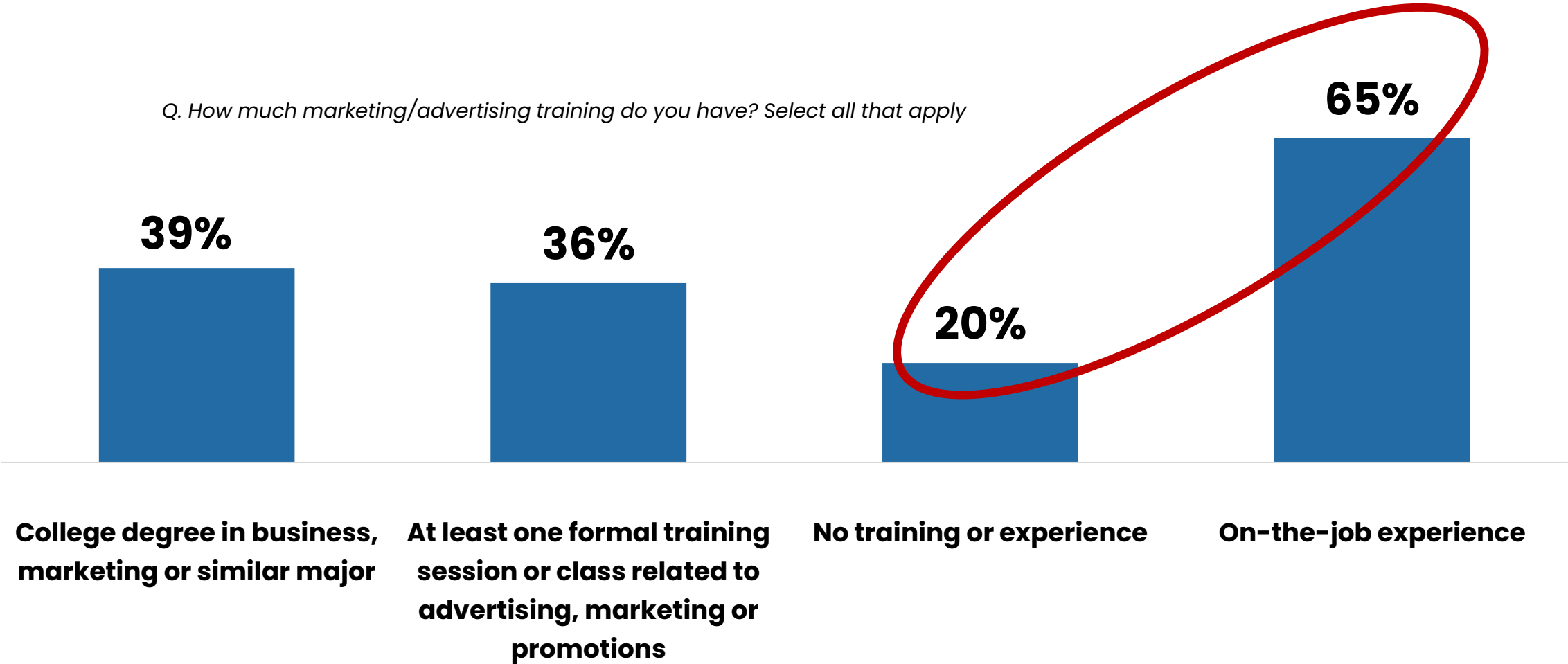
“I do it all!”

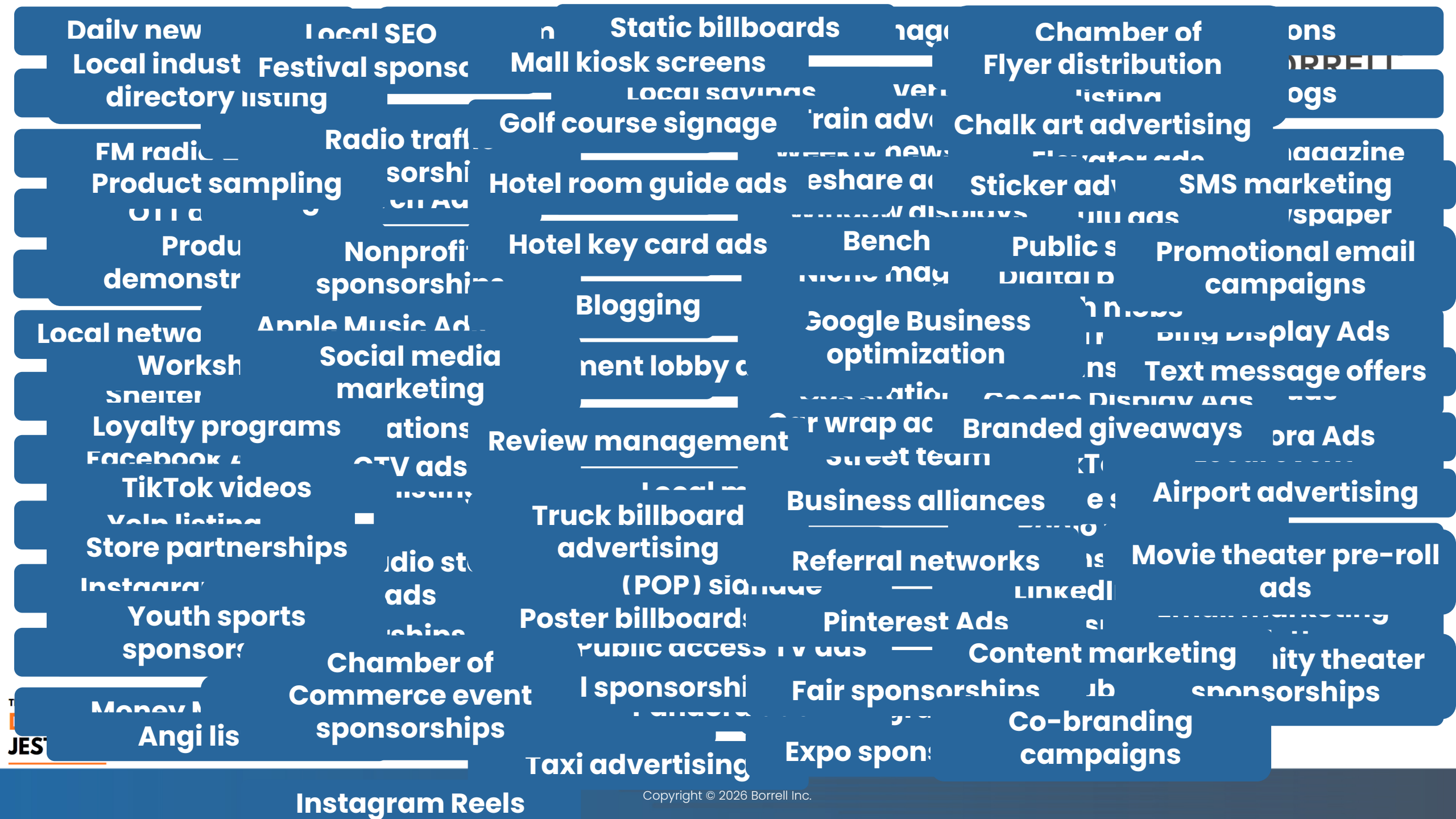
51%

They are Educating Themselves



Q. How much marketing/advertising training do you have? Select all that apply





Daily new

Local SEO

Static billboards

Chamber of

ons

Local indust

Festival sponsc

Mall kiosk screens

Flyer distribution

ons

directory listing

Local savings

Ver.

listing

ogs

Golf course signage

'rain adv

Chalk art advertising

FM radio

Radio traff

Hotel room guide ads

eshare ad

Sticker ad

SMS marketing

Product sampling

sorshi

Hotel key card ads

Bench

Public s

Promotional email

Produ

Nonprofi

Blogging

none man

Digital B

campaigns

demonstr

sponsori

Google Business

h news

Display Ads

Local netwo

Apple Music Ad

Social media

nent lobby c

optimization

ns

Text message offers

Worksh

sneiter

Marketing

Review management

r wrap ac

Branded giveaways

ora Ads

Loyalty programs

ations

street team

(T

Airport advertising

Facebook

TV ads

Truck billboard

Business alliances

e

Movie theater pre-roll

TikTok videos

ads

advertising

Referral networks

is

ads

Store partnerships

radio st

(POP) signage

—

Linkedl

ads

Instaara

ads

Poster billboard

Pinterest Ads

el

theater

Youth sports

chine

Public access

TV ads

Content marketing

ity theater

sponsori

Chamber of

I sponsori

Fair sponsori

Job

sponsori

Money

Commerce event

advertising

Expo spon

Co-branding

campaigns

Angi lis

sponsorships

Taxi advertising

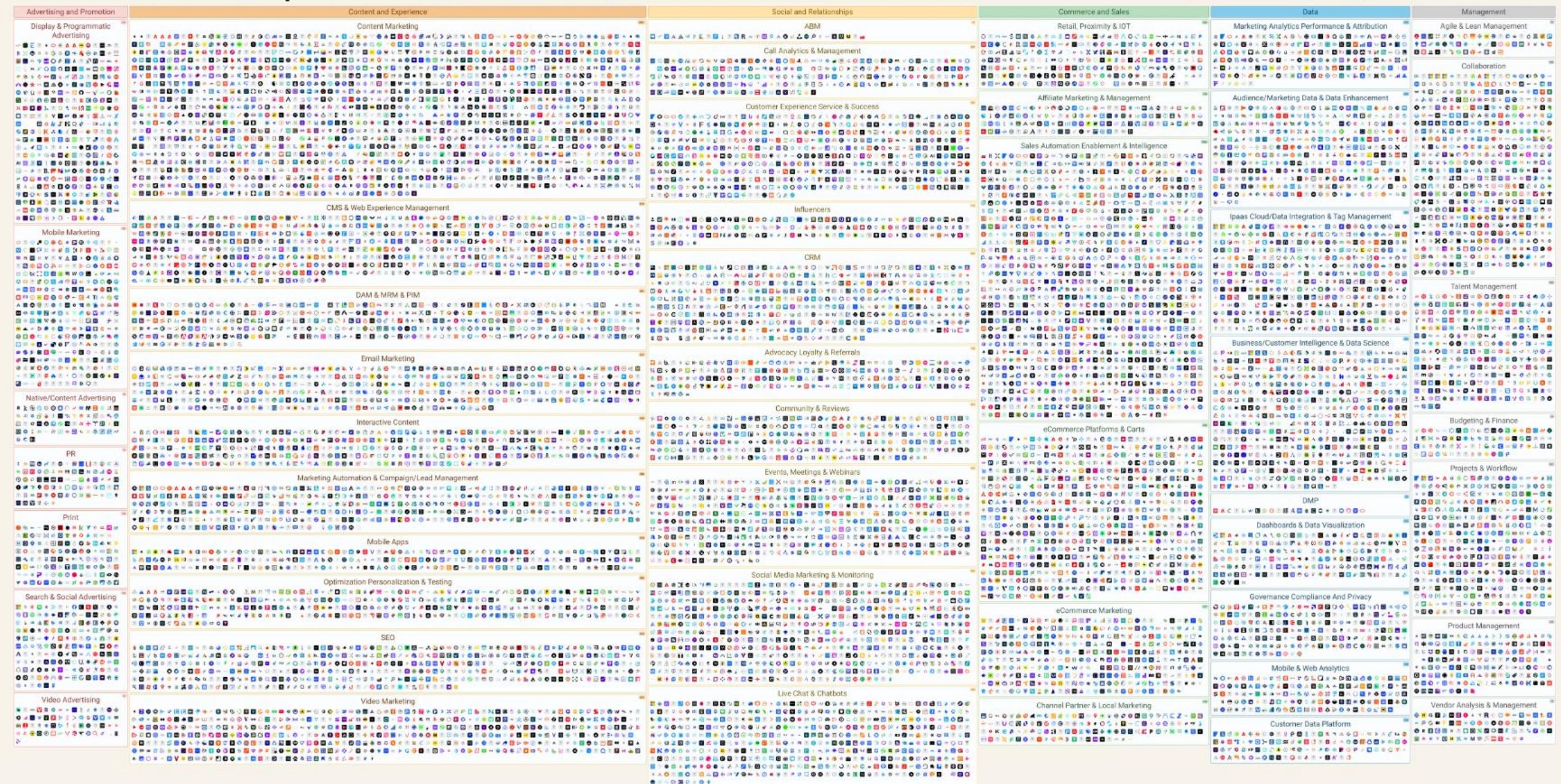
Expo spon

Co-branding

campaigns

Instagram Reels

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AI

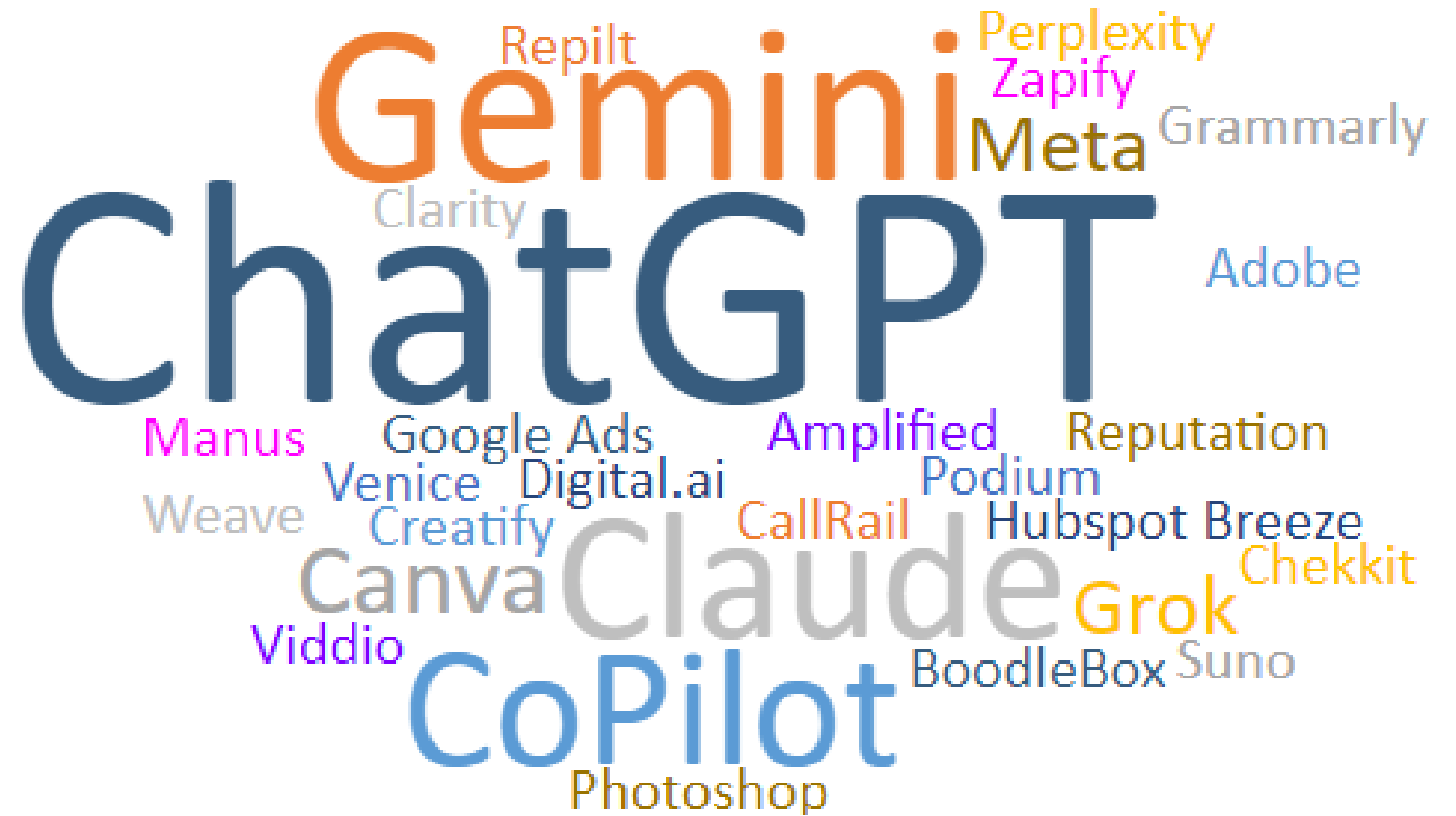
What do SMBs use AI for?

Now, specifically thinking about marketing and advertising tasks/functions, which types of AI tools, apps, plug-ins, or programs has your company used in its marketing efforts, if any? Select all that apply



One LLM to Rule Them All

What AI tools, apps, plug-ins, or programs have you used to help with marketing/advertising tasks or functions? Please list their names here



The Emerging Downside of AI

In what ways, if any, has the way in which your customers interact with your company changed as a result of AI?

19%

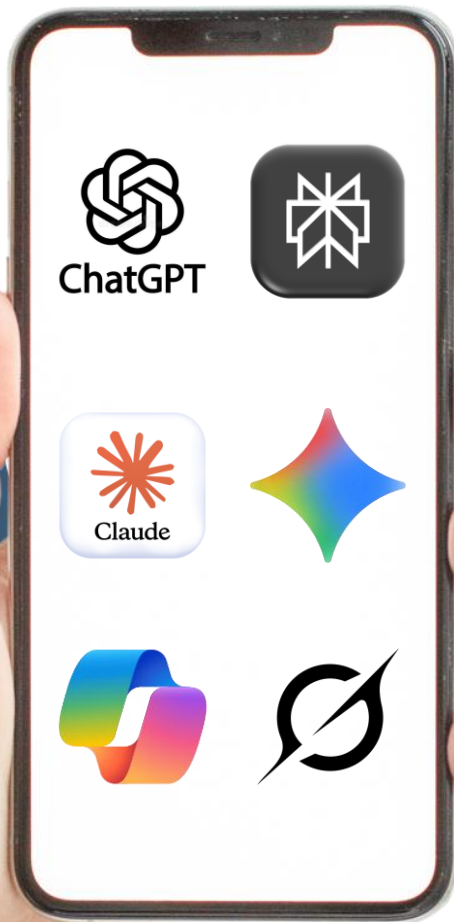
Customers have
incorrect/misleading
information



**How often do AIs
NOT cite brands
domains as
sources of
information?**

84%

In other words, AIs use cite brand sites only 16% of the time



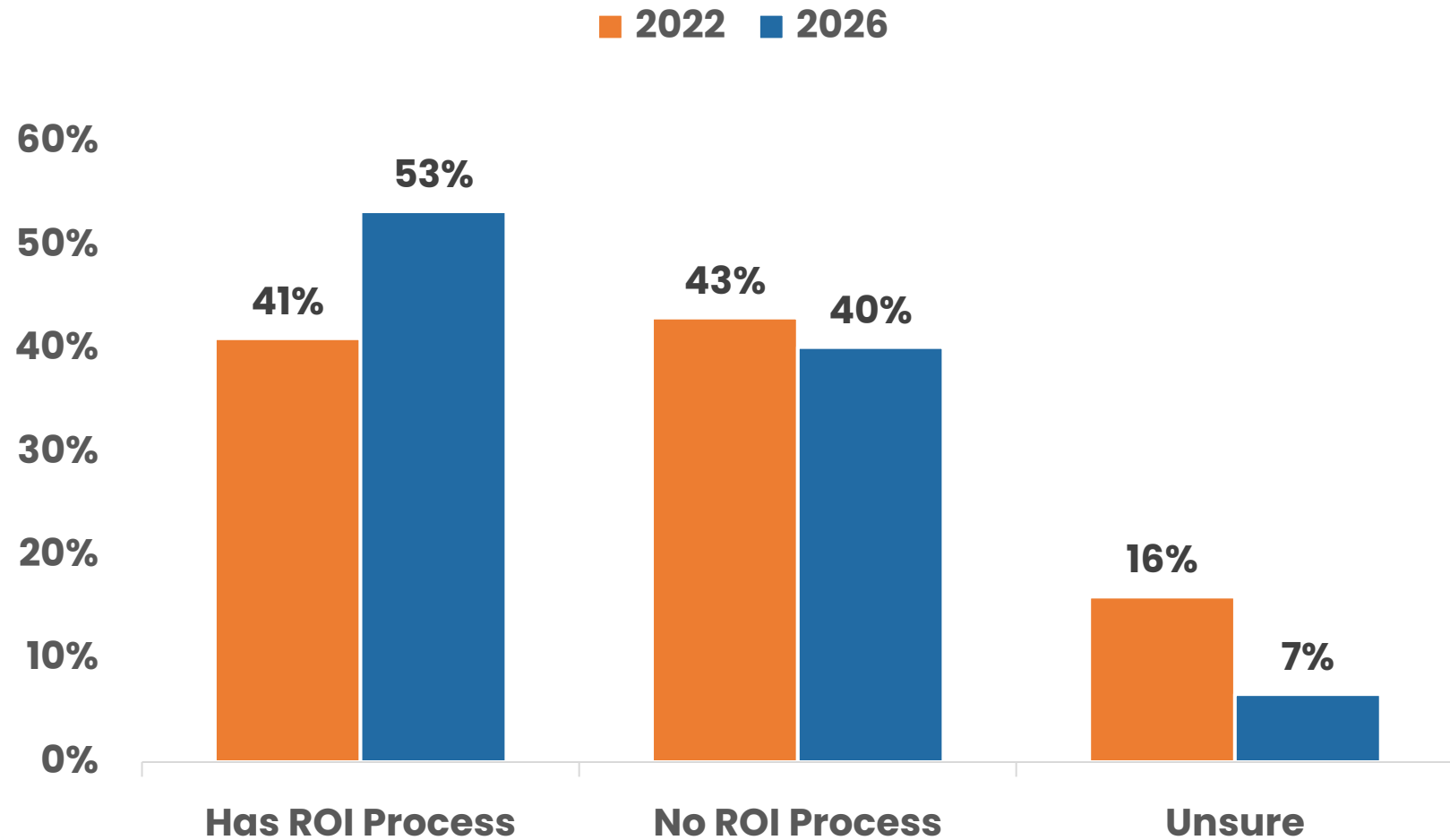
Every major AI industry report measures how much AI is used.

Almost none measure whether it's right.

ROI

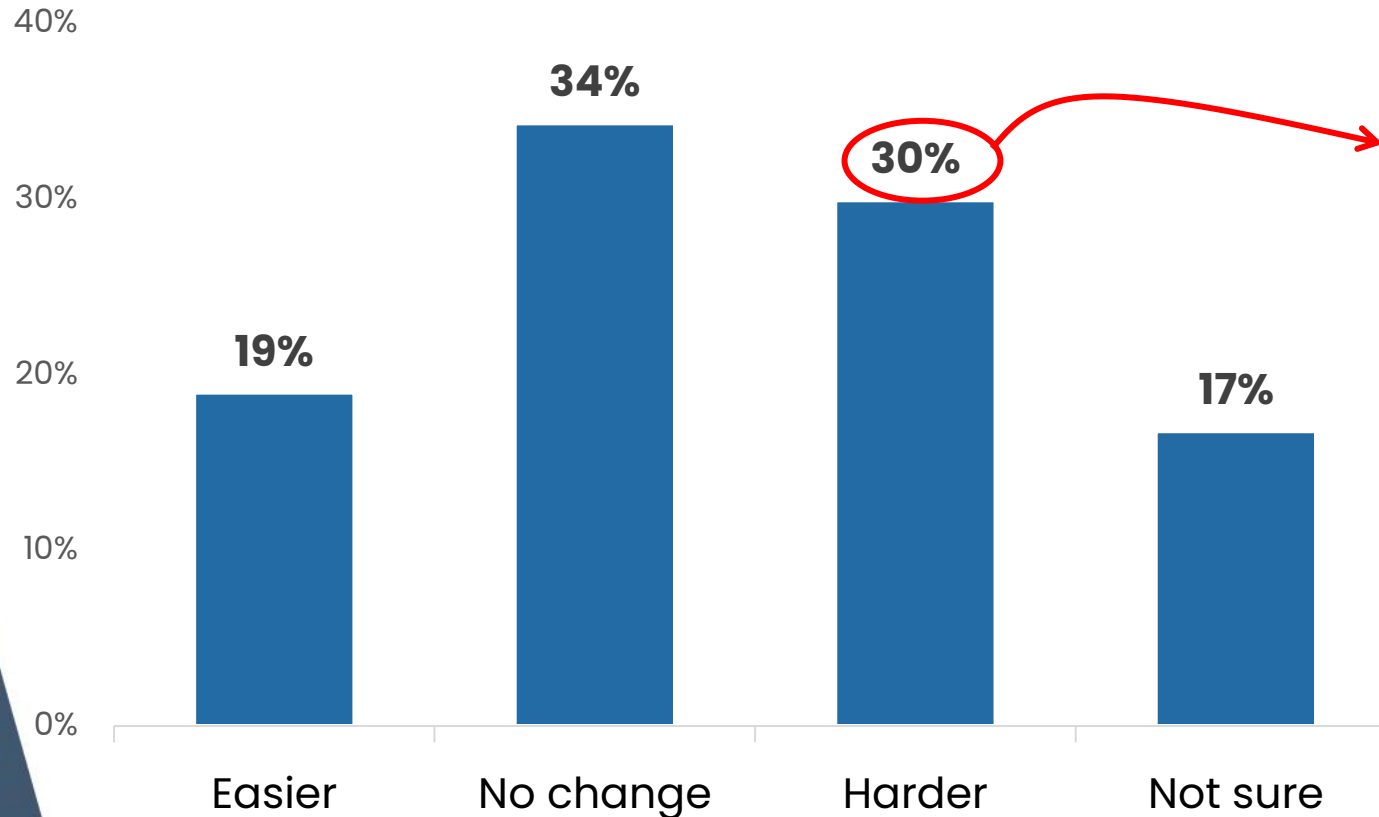
The ROI Shift

Does your company currently have a process for measuring and understanding ROI of your company's marketing?



30% say ROI measurement has gotten harder

Thinking about the past 3 years, do you feel ROI measurement has gotten easier or harder?



Why has it gotten HARDER?

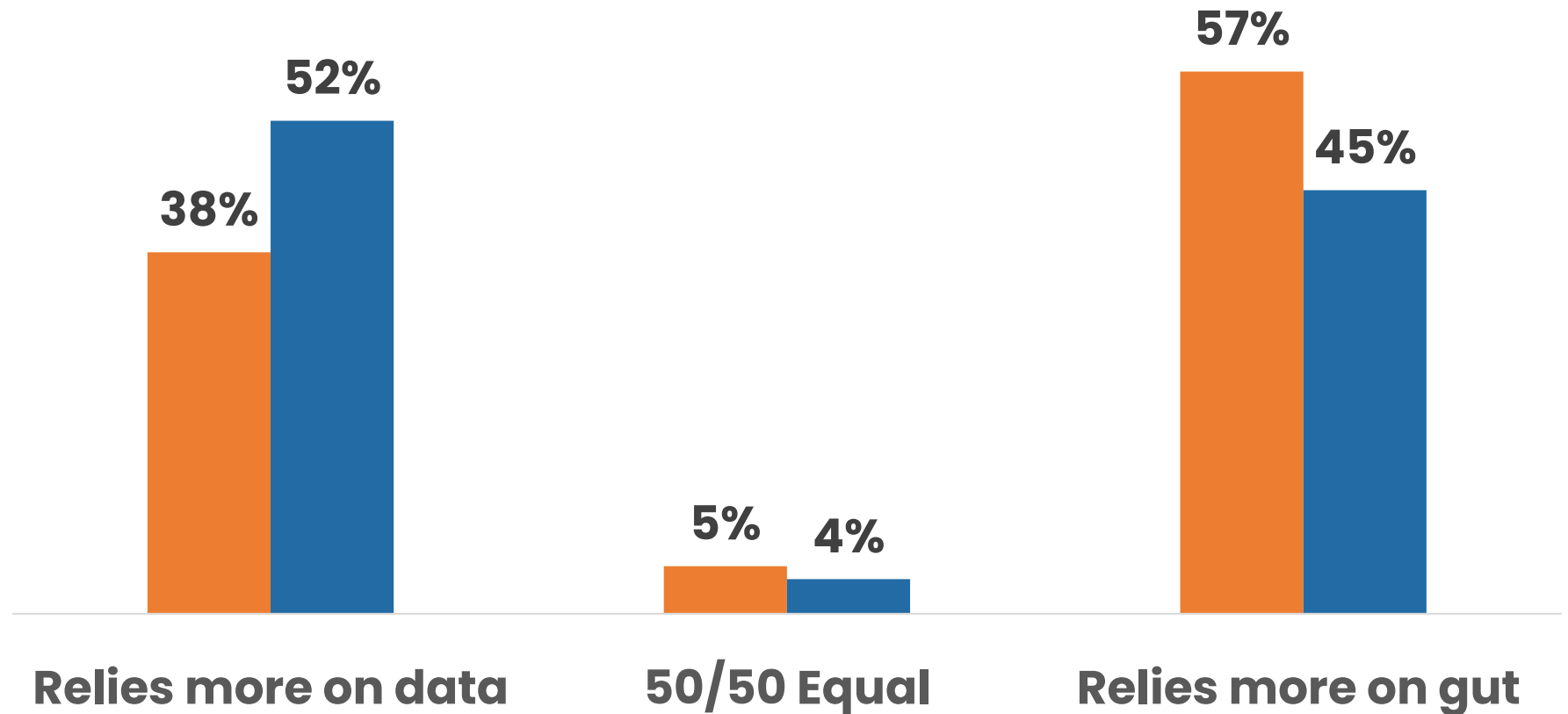
- More channels and more fragmentation make attribution challenging
- Customer journeys are non-linear and messy

"It's becoming very hard to tell where a lead comes from."

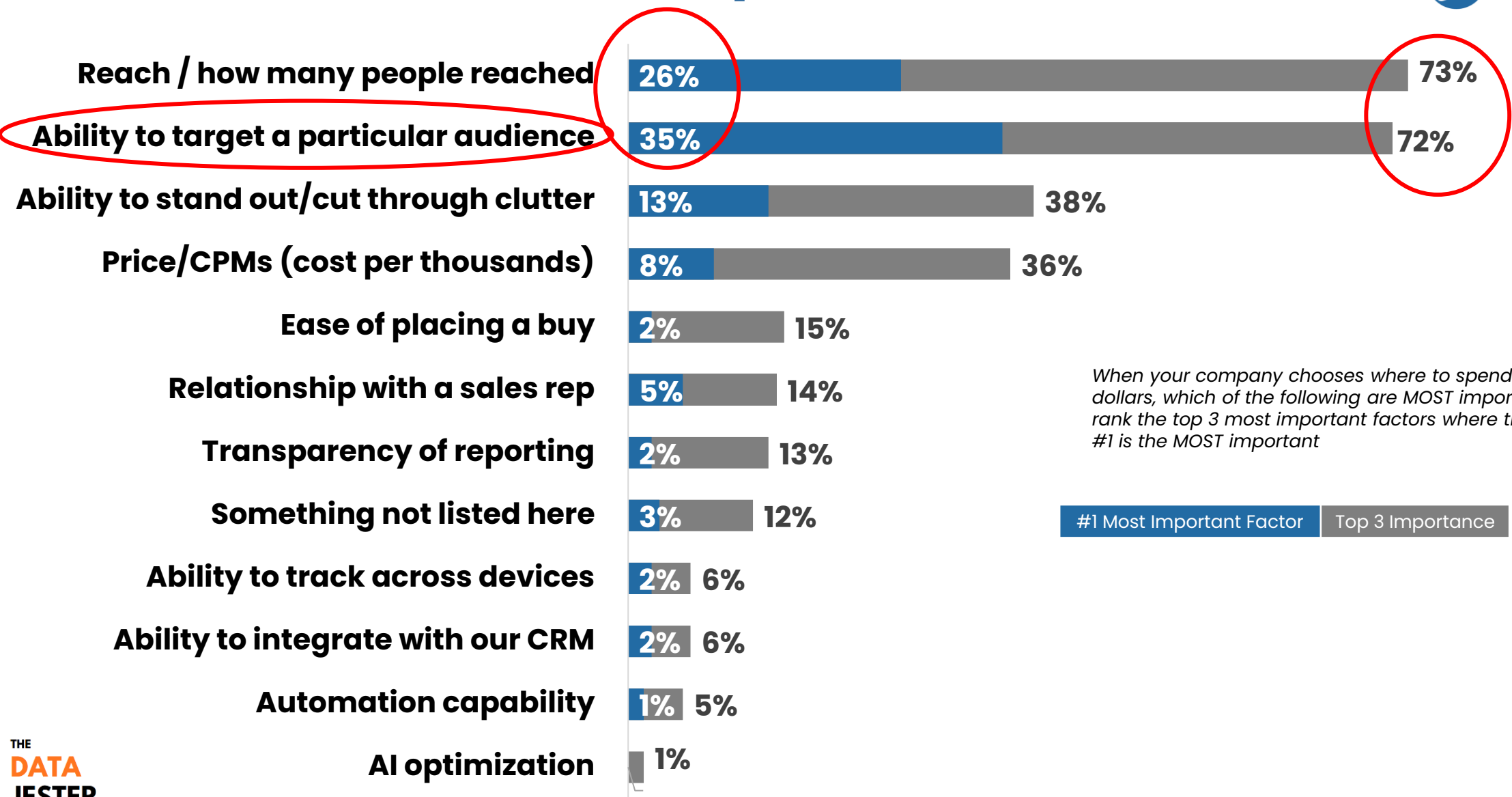
The ROI Shift

Would you say your company relies more on gut or on data when determining if a campaign worked?

■ 2022 ■ 2026



Audience is the most important factor



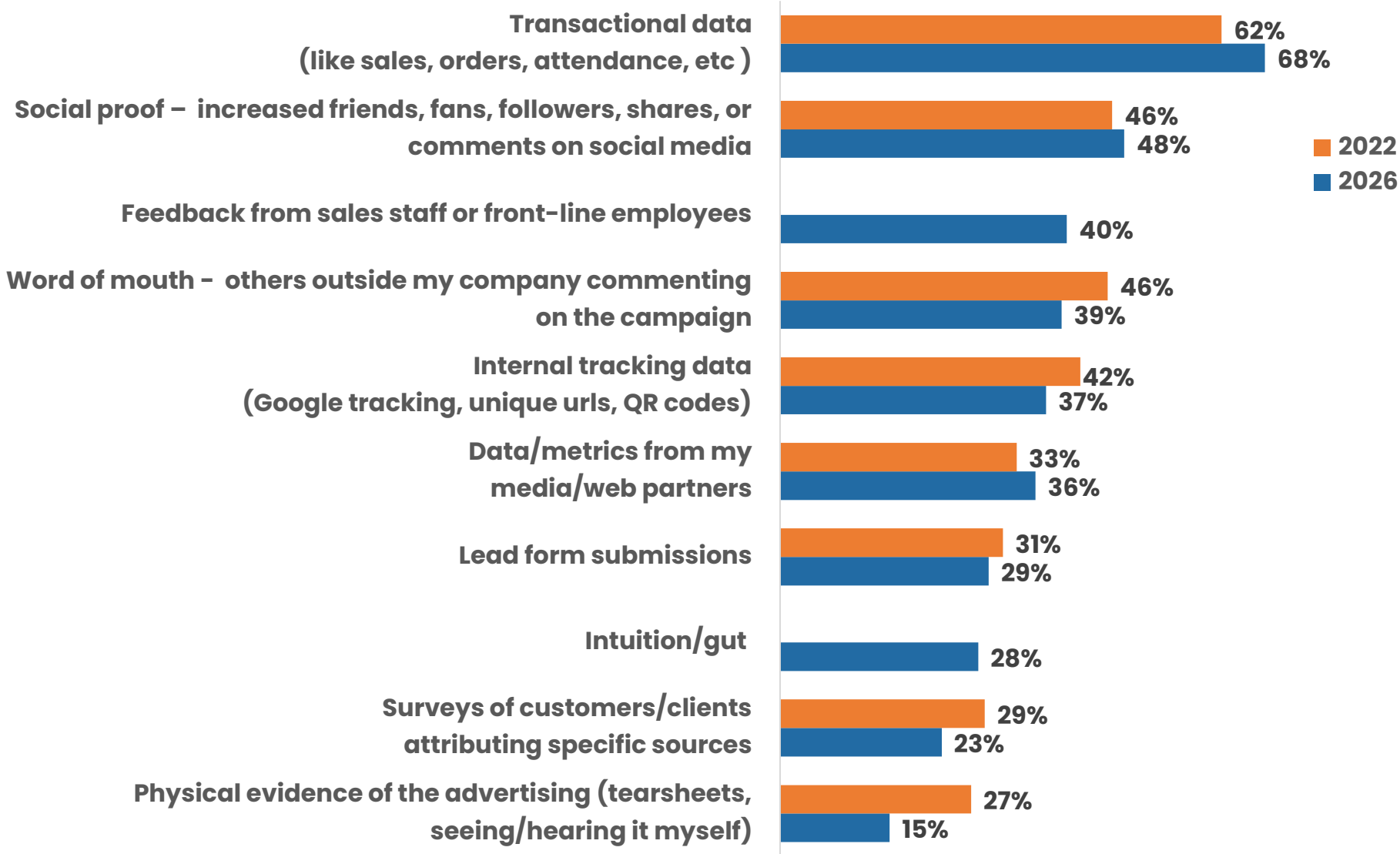
When your company chooses where to spend its advertising dollars, which of the following are MOST important? Please rank the top 3 most important factors where the one ranked #1 is the MOST important

#1 Most Important Factor Top 3 Importance

What determines campaign effectiveness?



What do you rely on most to determine if a marketing campaign was successful? Select all that apply



What do Local Advertisers really need?

**THE
DATA
JESTER**



**Most local
media
companies are
nothing more
than
advertising
vending
machines**



79% of SMBs with low or no marketing budget use organic social. Because it's free.

- Not because it works best — because nobody is helping them do better
- Customer retention is their #1 marketing priority
- Time and resources are their #1 challenge — not budget



**The trusted guide role is
vacant.**

Google is not filling it.

Neither is Meta.

But....it's not that easy

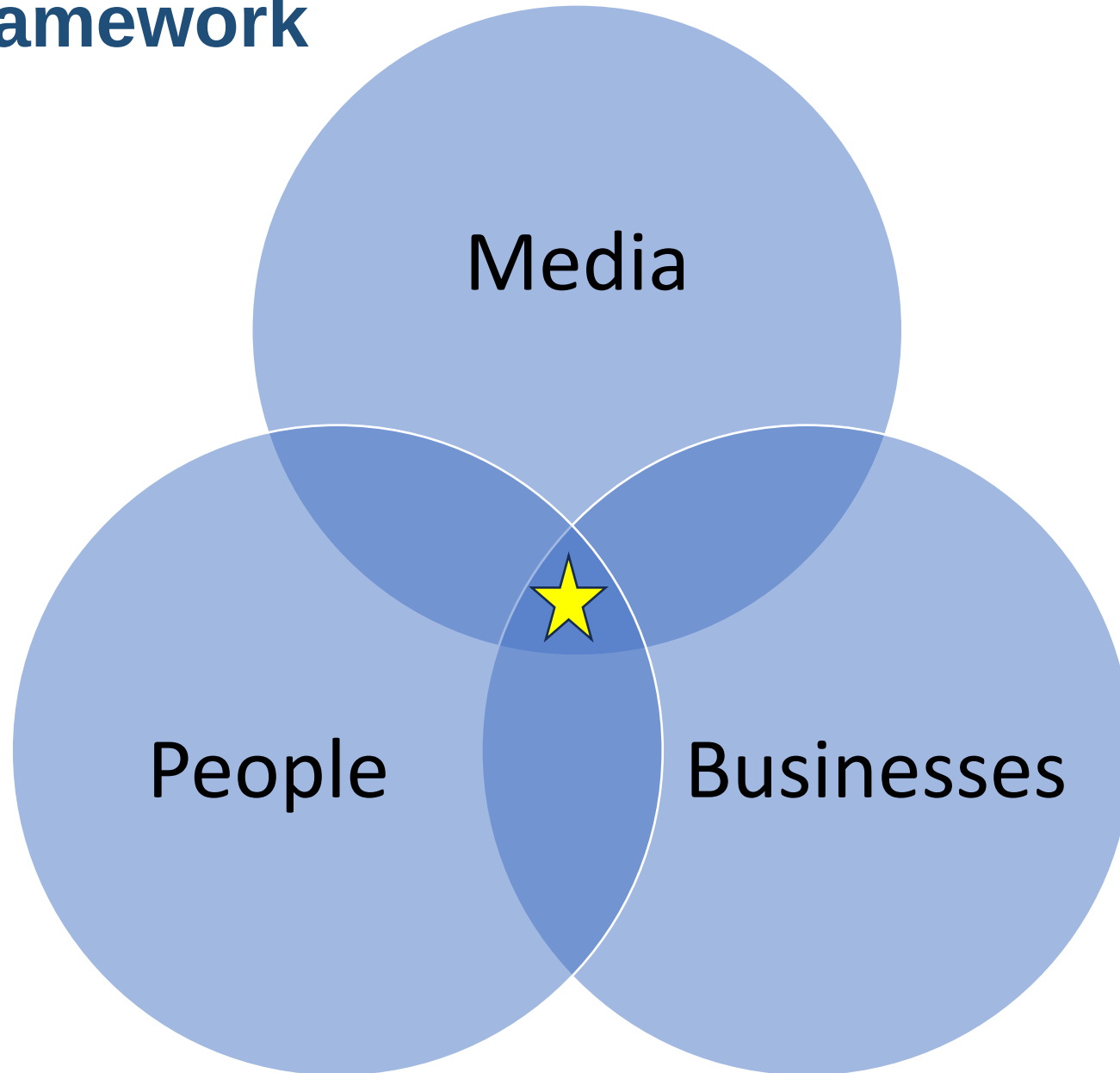
SMBs have evolved

**Audience based selling
is so 2006**

Public Media's Trust Advantage



A market framework



Remember...

The market is moving fast

Struggles for SMBs are compounding

Buyers are confused

Guide role is open

THE PLAY

What to do about all of this

Understand the Intricacies of your Market

EXERCISE 1

- Market = People AND Businesses
- AI fakes subtlety with confidence
- Tons of free resources
- Sitting on a gold mine

Similar markets can be quite similar



Metric	Lancaster, PA	Spokane, WA
Total local marketing spend	\$684.3M	\$652.3M
Local advertising spend	\$247.1M	\$232.7M
Digital advertising spend	\$176.4M	\$165.6M
Digital share of ad spend	71.4%	71.2%
Business locations	57,651	52,643
Employees	299,674	280,763
Employees per location	5.2	5.3
Ad \$ per location	\$4,286	\$4,420
Ad \$ per employee	\$825	\$829

But actually, be quite different



Metric	Lancaster, PA	Spokane, WA
Credit & Mortgage Services	\$5.7M	\$17.8M
Grocery Stores	\$12.2M	\$5.6M
Major Appliances	\$4.2M	\$0.7M
Colleges & Universities	\$1.4M	\$4.6M
Furniture Stores	\$17.8M	\$12.0M

Similar markets can be quite different



TOP TIER ASHLEY CUSTOMERS	Lancaster, PA	Spokane, WA
Average Income	\$116k	\$57k
Average Age Range	53-64	40-49
% Homeowner	93%	48%
% Retired	23%	5%
Brand Loyalists INDEX	2.38	0.20
Art Association INDEX	2.31	0.43
Facebook INDEX	1.89	0.60
Deal Seeker INDEX	0.24	1.79
Blue Collar INDEX	0.67	1.39

Free Tools

Resource	Best use	URL
QuickFacts	Fast, plain-English snapshots for states, counties, and many cities/towns.	https://www.census.gov/quickfacts/census
ACS Data Profiles	Broad demographic, social, housing, and economic profiles.	https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/census
data.census.gov	Main Census browsing site for tables, maps, downloads, and profiles.	data.census
Census Bureau Data and Maps	Hub page for Census tools, tutorials, APIs, and topic resources.	census
County Business Patterns (CBP)	Establishments, employment, payroll, industry mix, and size classes.	census
CBP APIs	Download/API access for CBP and ZIP Code Business Patterns.	census
Business Dynamics Statistics (BDS)	Business births, deaths, job creation, and destruction.	census
BDS Data	Data access page for BDS downloads and related formats.	census
LAUS Home	County, metro, and other local labor force and unemployment data.	bls
LAUS MSA Delineations	Metro and micropolitan geography definitions.	bls

Know Your Place (currently)

EXERCISE 2

- Open up ChatGPT
- Type in: *‘What is the best local media partner for a small business in [your city]?’*
- See if you show up.
 - See what it says about you if you do

Make a Decision

EXERCISE 3

- Local businesses want help
- You can help in 1 of 2 ways
 - Marketing partner
 - Advertising Vending Machine

Products vs Outcomes

PRODUCT PITCH

“We have a 45,000-subscriber email newsletter at \$X CPM”

- Leads with inventory
- Client does their own translation
- Sounds like every other pitch
- Gets you a line item

OUTCOME PITCH

“We can put your restaurant in front of 12,000 households within 5 miles who look like your best customers”

- Leads with their business problem
- You’ve already done the translation
- Sounds like someone who gets them
- Gets you a relationship



EXERCISE 4

Take a Marketing class

- Not an advertising class



Audit yourself

Exercise 5

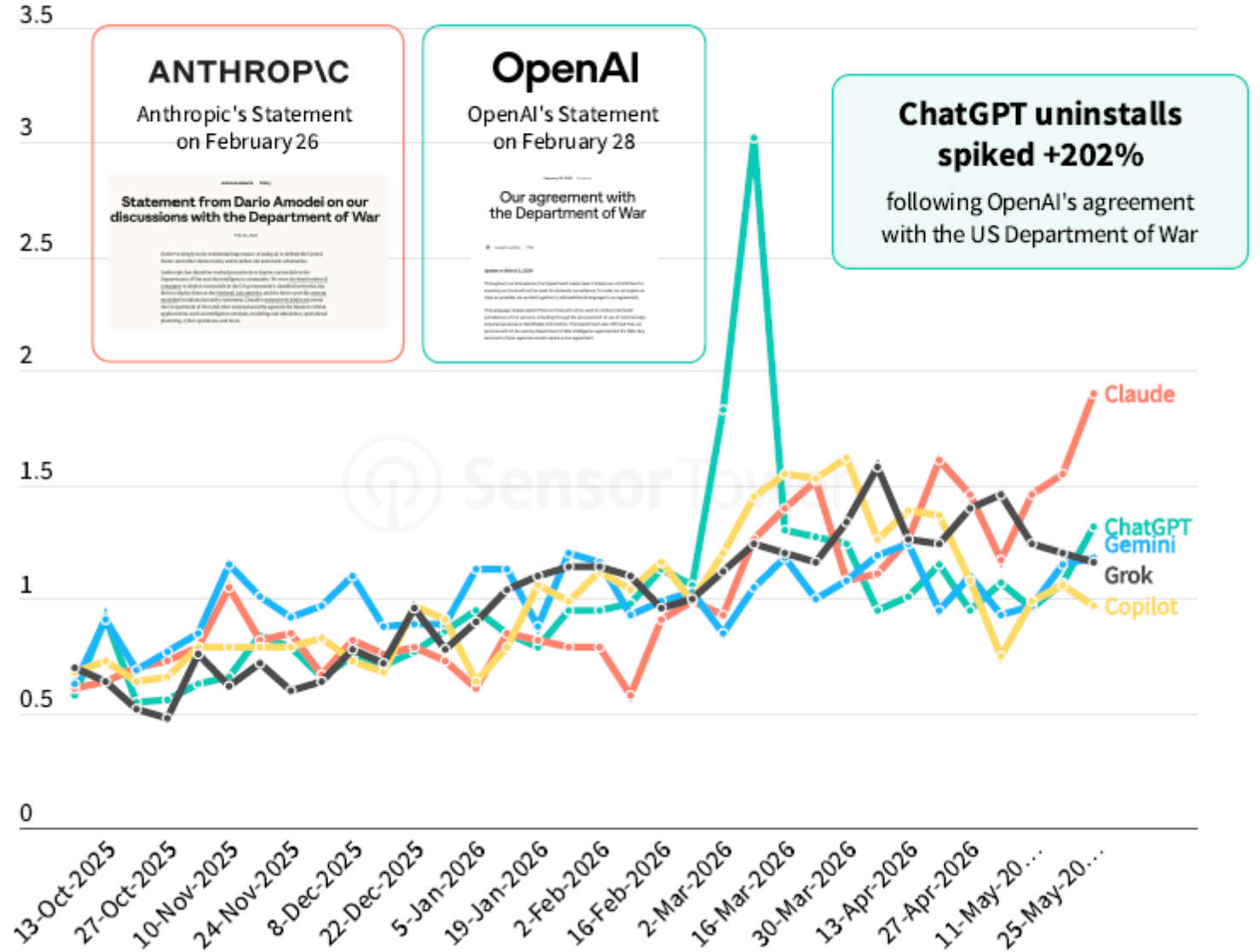
- Pull your last 10 proposals and count something:
 - How many led with people?
 - How many led with the prospect's business problem?
 - How many connected your inventory to a specific business outcome?

TRUST

ChatGPT lost trust

And it had an effect

Indexed Uninstalls for Top AI Assistants
Among a Sample of Users in the United States



ChatGPT uninstalls spiked +202%
following OpenAI's agreement with the US Department of War

ANTHROPIC
Anthropic's Statement on February 26

Statement from Dario Amodei on our discussions with the Department of War

OpenAI
OpenAI's Statement on February 28

Our agreement with the Department of War

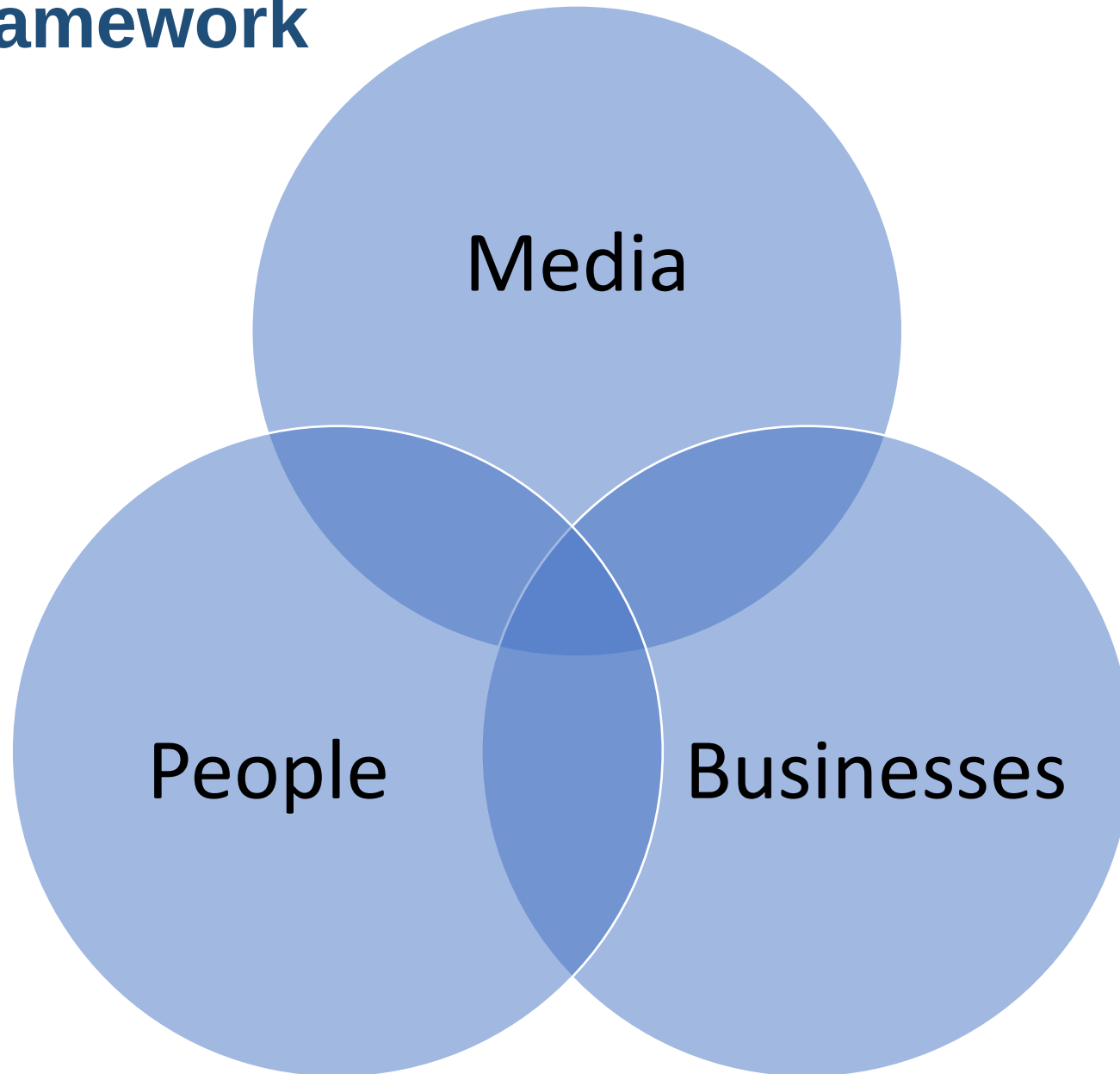
Sensor Tower

Step 6

Publish like the machine is watching. It is.

- AI reads your published authority. Not your reputation.
- Your audience trusts you. AI doesn't know that yet.
- AI cites structured, open, accessible, frequently-referenced content
- Content locked away doesn't get cited

A market framework



**AI is a threat to everyone losing
the trust battle.**

It's a gift to everyone winning it.

The 3 Things to Do

Know your Market

- Go to Census QuickFacts. Type in your market. Read it.
- Ask ChatGPT who the best media partner in your city is. Screenshot what it says.
- Before your next underwriting meeting, know more about their market than they do.
- That's the guide's advantage. It starts with 20 minutes and a browser.

The 3 Things to Do

Know your People

- Build first-party data.
- Redefine your audience in customer language: behaviors, not demographics
- 'People who buy local and support independent businesses' lands differently than 'HHI \$75k+'
- Pick one SMB. Go deep on their customers. Build one outcome-based proposal.
- Use it as your proof of concept internally.

The 3 Things to Do

Know your Craft

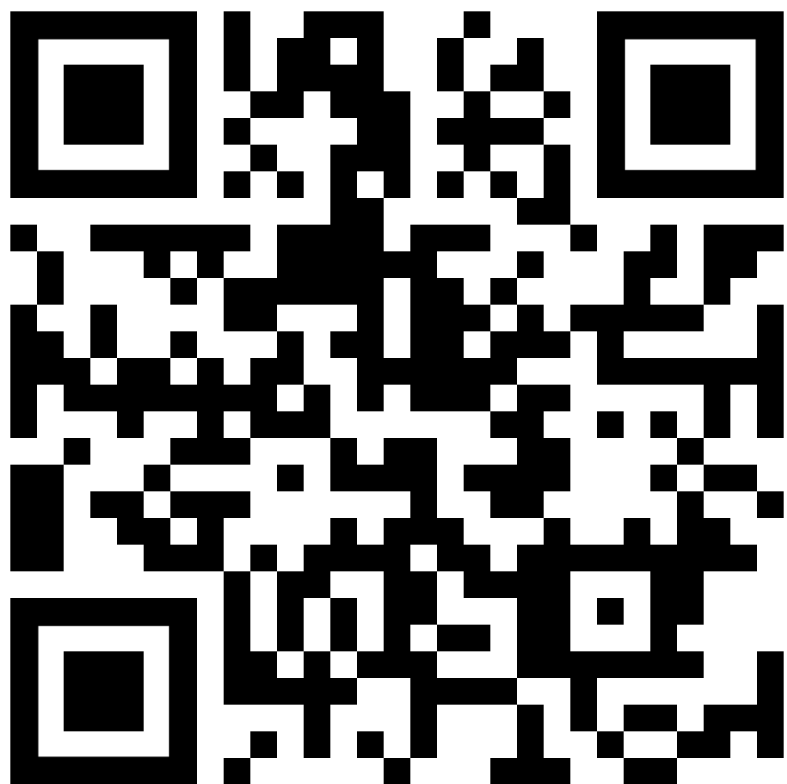
- Find a marketing fundamentals course. Coursera, LinkedIn Learning, community college.
- One semester. Changes every conversation you have after.
- Audit your last 10 proposals. Count how many led with audience vs. business outcome.
- That ratio is your baseline. Improve it by one proposal at a time.

You are the Beating Heart of Your Community. BORRELL™ Own it.

- Not a media company. The connective tissue.
- Not an underwriting shop. A matchmaker.
- Not a trust score. A competitive moat.
- Not late to digital. Arriving at the right moment with the right asset.



Podcasts



Videos





**You can download a
pdf of the
presentation here**

THANK YOU!