



**2024
CYCLE**



**POLITICAL
VIDEO AD SPEND
PROJECTIONS**
ANNUAL REPORT

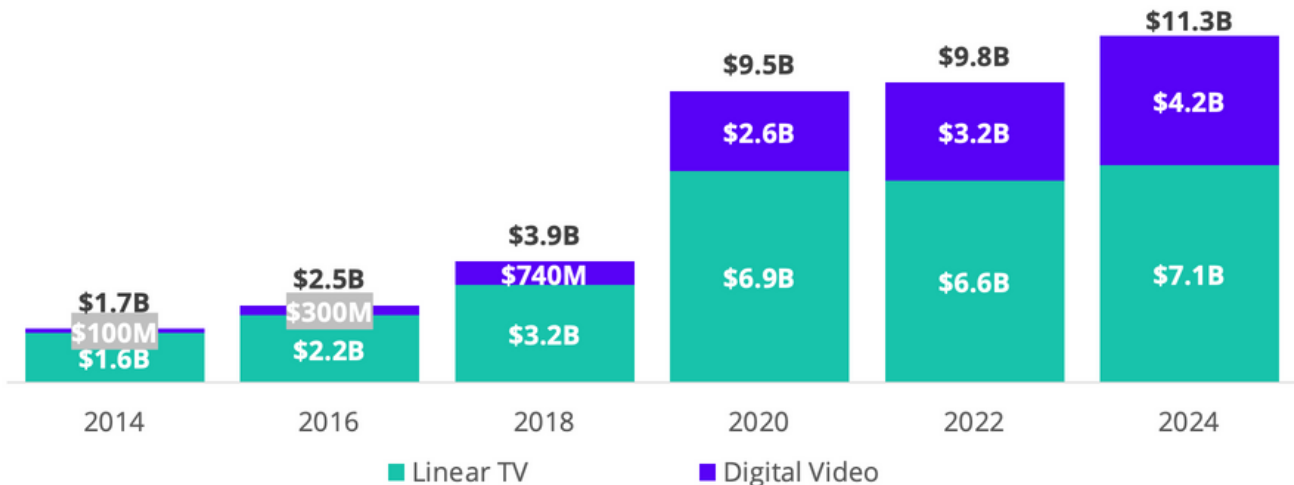


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MEDIA**

Introduction

Once again, the latest political cycle is expected to break video ad spend records, with over \$11 Billion in spend across linear TV, CTV, and digital video. This represents a 19% increase over the already massive spend in the 2020 election cycle. CTV is the top driver of growth as political advertisers increasingly push into streaming to reach their precise audiences.

Political video advertising just keeps growing



Source: AdImpact, Cross Screen Media (September 2023)

Digital Video refers to the combination of CTV, mobile/desktop, and social video

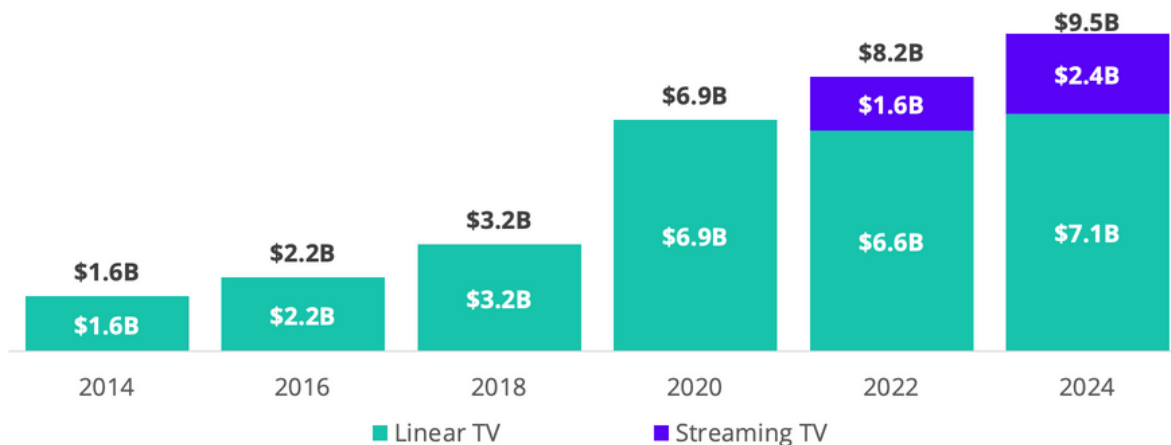
Political video ad spend will top \$11.3 billion during the 2024 election season, with digital video ad spend projected to reach \$4.2 billion this cycle.

How will spend break down by channel?

| Platform | Estimate |
|----------------------|----------------|
| Local Broadcast TV | \$5.1B |
| Local Cable TV | \$2.1B |
| CTV | \$2.4B |
| Mobile/Desktop Video | \$1.4B |
| Social Video | \$0.4B |
| Total | \$11.3B |

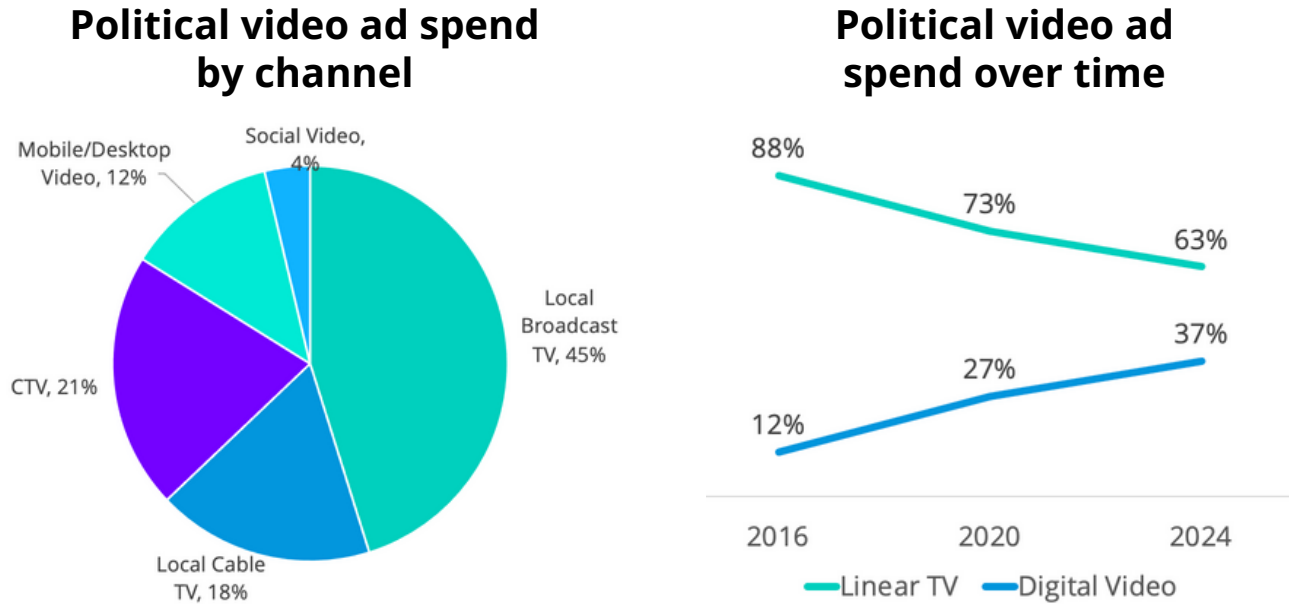
Estimated at \$2.4B, CTV will surpass even cable TV in spend this election season, second only to broadcast.

Ad dollars are rapidly shifting to streaming



Even with the significant increase in CTV spend, there is an opportunity for more investment from political advertisers to reach the growing segment of target voters unreachable on linear TV.

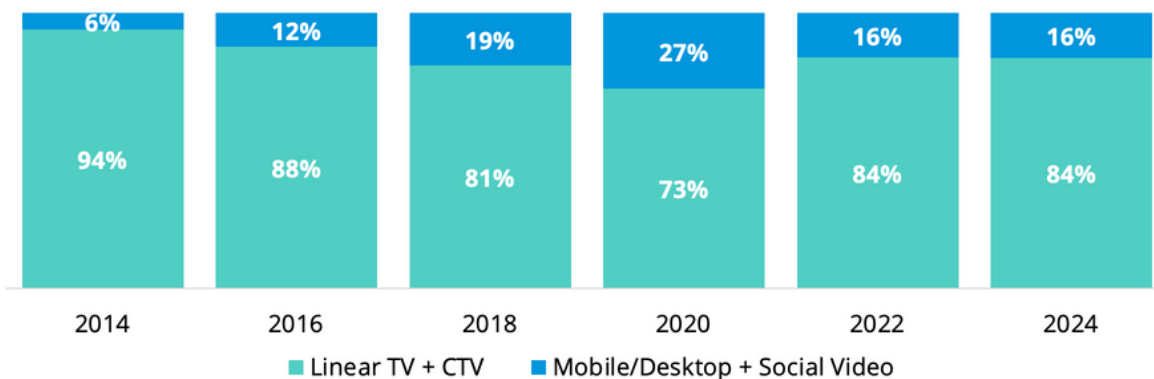
Linear TV + CTV = 84% of political video ad spend



Source: AdImpact, Cross Screen Media (September 2023)

As voter media consumption shifts to streaming, CTV and linear TV spend increasingly dominate total political video ad spend.

Digital ad dollars are moving back to the big screen



After peaking in 2020, political ad dollars are leaving desktop & mobile ads in favor of CTV with its big screen, increased attention and less skipability.

Most of the growth in political video ads will come from CTV

| TV Ad Segment | 2022 \$ | 2024 \$ | (+/-) | CAGR |
|--|---------------|----------------|-----------------|--------------|
| Streaming TV (CTV) | \$1.6B | \$2.4B | ↑ \$770M | ↑ 48% |
| Mobile/Desktop Video | \$1.2B | \$1.4B | ↑ \$204M | ↑ 17% |
| All Political Video Advertising | \$9.8B | \$11.3B | ↑ \$1.5B | ↑ 16% |
| Social Video | \$370M | \$419M | ↑ \$49M | ↑ 13% |
| Local Cable TV | \$1.8B | \$2.0B | ↑ \$205M | ↑ 11% |
| Local Broadcast TV | \$4.8B | \$5.1B | ↑ \$303M | ↑ 6% |

Every segment of political video advertising is expected to grow this election cycle, but none will grow faster than CTV, at 48% CAGR, as advertisers increasingly leverage the reach and targeting opportunities CTV provides.

How much will be spent on swing voters?

| | Individuals | Video ad \$ per individual |
|----------------------------|-------------|----------------------------|
| U.S. 18+ Population | 258M | \$44 |
| Above + Registered to Vote | 220M | \$51 |
| Above + Likely to Vote | 155M | \$73 |
| Above + Persuadable | 31M | \$364 |

We estimate that political advertisers will spend an average of \$364 per individual across TV and digital video to reach the most important audience: swing voters.

Source: AdImpact, Cross Screen Media (September 2023)

Where will swing voters see the most ads?

| | % of \$ | % of frequency | eCPM |
|-------------------------------|---------|----------------|-------------|
| Linear TV | 61% | 56% | \$70 |
| Digital video (including CTV) | 39% | 44% | \$59 |
| Total | | | \$65 |

Source: Cross Screen Media

Markets: Atlanta, Las Vegas, Milwaukee, Minneapolis-St. Paul, Philadelphia, Phoenix (Prescott), Raleigh-Durham (Fayetteville), Tampa-St. Pete (Sarasota)

Linear TV will still account for the majority of ads shown to swing voters, but CTV is quickly catching up.

Within these topline linear consumption numbers lies the crucial nuance that not all TV watchers are created equal. Not even close.

The table below highlights this discrepancy in consumption that continues to challenge many political advertisers. In this example, Heavy TV watchers among GOP primary voters see the lion's share of primary ads, while Light TV watchers see almost none. This gap highlights a key opportunity for CTV to provide incremental reach and optimized frequency.

62% of linear TV ads are seen by just 20% of GOP primary voters

| TV Consumption Tier | % of Audience | % of TV ads | Linear TV Hours/Week | Linear TV Ads/Week |
|---------------------|---------------|-------------|----------------------|--------------------|
| Heavy Linear TV | 20% | 62% | 48 | 1,542 |
| Medium Linear TV | 38% | 36% | 15 | 481 |
| Light Linear TV | 42% | 2% | < 1 | 21 |



Quick Case Study: Iowa GOP Primary Voters

In this breakdown of GOP Primary Voters in Iowa, we segmented the audience based on how much linear TV and CTV they consume in an average week.

We see that 26% watch little to no linear TV but are light to heavy CTV viewers. Therefore, this segment would best be reached using CTV over linear TV. Identifying these specific voter segments and running targeted ads on the right channels is one of the richest areas for advertisers to efficiently add incremental reach.

Media Consumption Breakdown

Streaming / CTV

| | | Heavy | Light | None |
|-----------|-------|-------|-------|------|
| Linear TV | Heavy | 7% | 10% | 19% |
| | Light | 6% | 9% | 12% |
| | None | 8% | 12% | 17% |

Voters that are best reached on CTV = **26%**

Source: AdImpact, Cross Screen Media (September 2023)

Cross-screen planning must be done locally

| Media Market | eCPM |
|-------------------------------|-------------|
| Milwaukee | \$21 |
| Minneapolis-St. Paul | \$22 |
| Raleigh-Durham (Fayetteville) | \$59 |
| Average | \$70 |
| Philadelphia | \$78 |
| Las Vegas | \$82 |
| Atlanta | \$95 |
| Phoenix (Prescott) | \$121 |
| Tampa-St. Pete (Sarasota) | \$137 |

This table shows eCPM rates for swing voters in battleground markets

The above table compares cross-screen media plans across multiple local markets. The eCPM, or effective CPM, measures the cost of on-target viewable ads across channels and acts as a common currency across linear, digital video and CTV. The 552% difference in eCPM to reach swing voters shown here is largely due to the wildly differing prices of linear TV, highlighting the importance for political advertisers to create specific plans at the local level.

Why does this matter?

Political video ad spend will see record levels this cycle, and voter media consumption is more fragmented than ever. The battle between linear TV and digital buyers over CTV is fierce. Whoever controls the CTV budget controls the video ad budget into the future.

In the fight for CTV ad dollars, the agency that adopts cross-screen planning, activation, and measurement will have a clear advantage.

Cross Screen Media works with political agencies to maximize on-target reach through optimized CTV activation, local planning, and cross-screen measurement.

Want to learn more from our political ad experts?

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