

Will pharmaceutical ads be banned under the second Trump administration?

Article

The news: Robert F. Kennedy Jr.'s nomination as the head of the **Department of Health and Human Services** has some pharmaceutical companies worried that the incoming Trump

administration could significantly restrict the industry's ability to advertise to consumers.

- **Kennedy has stated that he would seek to ban D2C drug advertising**, preventing pharmaceutical companies from advertising drugs on TV, radio, and other media. Kennedy announced the plan during his presidential run and reiterated in late October that he would pressure president-elect Donald Trump to pursue the ban.

The impact: Healthcare and pharmaceutical advertisements **account for \$22.09 billion (7.3%) of the \$310.19 billion** in US digital ad spending, per our forecast. Healthcare and pharmaceutical companies are frequent TV advertisers, and a D2C ad ban could deal a blow to networks' advertising revenues.

- The US allowed pharmaceutical companies to advertise directly to consumers in 1997, creating a lucrative pool of ad spending for media companies. **The US and New Zealand are the only countries where pharma D2C ads are fully legal**, setting a global precedent for restricting such advertising.

Will it actually happen? As with many proposals made by incoming Trump administration officials, it's unclear. Kennedy has taken a hard stance against several pharmaceutical and fast food industry practices, but the big-business friendly Trump administration and limited support in Congress could hinder those efforts.

- The current congressional agenda provides offers clues about the likelihood of a D2C ban. Bills proposing similar measures were introduced this year, but they lack support from Republican lawmakers, who will hold a majority in the next Congress.

Our take: The Trump administration's big business-friendly agenda lessens the likelihood that Kennedy would be able to impose such restrictions should he be confirmed.

- Trump has shown some willingness to walk back or adjust plans after initial statements and pressure from Republican lawmakers. The president-elect recently said he would impose tariffs of 25% on Mexican and Canadian imports and an additional 10% on Chinese imports.
- During the campaign, Trump had proposed tariffs as high as 60% for Chinese goods, but business and inflationary concerns could have softened his approach.

Digital Ad Spending by Industry

Digital Ad Spending, by industry US, 2024, billions

Retail

\$83.09

CPG

\$49.95

Financial Services

\$36.22

Media & entertainment

\$28.15

Technology & electronics

\$23.59

Healthcare & Pharma

\$22.09

Automotive

\$22.02

Telecom

\$20.27

Other

\$9.66

Travel

\$7.73

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices on all formats mentioned; numbers may not add up to total due to rounding

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