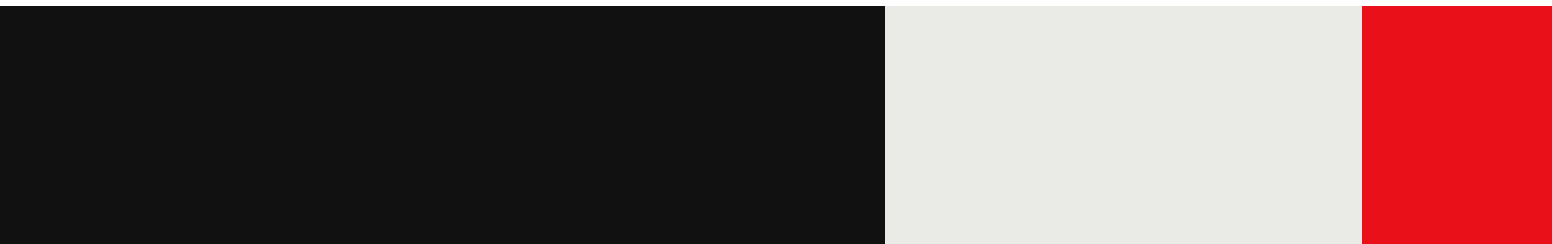



# Disney pushes for 75% ad sales automation by 2027

Article



**The news:** Disney is ramping up its addressable and programmatic ad efforts following this year's Upfronts. More than half of the digital and streaming ad spending on Disney platforms is now transacted programmatically, senior vice president of addressable sales **Jamie Power** told Digiday.

The entertainment giant is prioritizing flexibility for advertisers as it works toward automating 75% of its ad business by 2027, allowing them to transact in real time and capture timely opportunities.

## Key developments:

- Disney's digital ad revenues have posted double-digit growth this year, driven by a significant pivot toward **programmatic** transactions. This shift makes it easier for advertisers to activate campaigns on the spot, removing friction in the buying process.
- Having already automated 50% of its addressable ad business, Disney is on track to meet its 75% automation target, making ad buying more efficient through self-service and programmatic channels.
- Disney introduced interactive ad formats, such as advergaming, into its programmatic ecosystem. Once available, these formats saw an eightfold increase in spending within six weeks, and Disney plans to expand their availability across more platforms.

**Not just ad sales:** Disney is looking for efficiencies wherever it can.

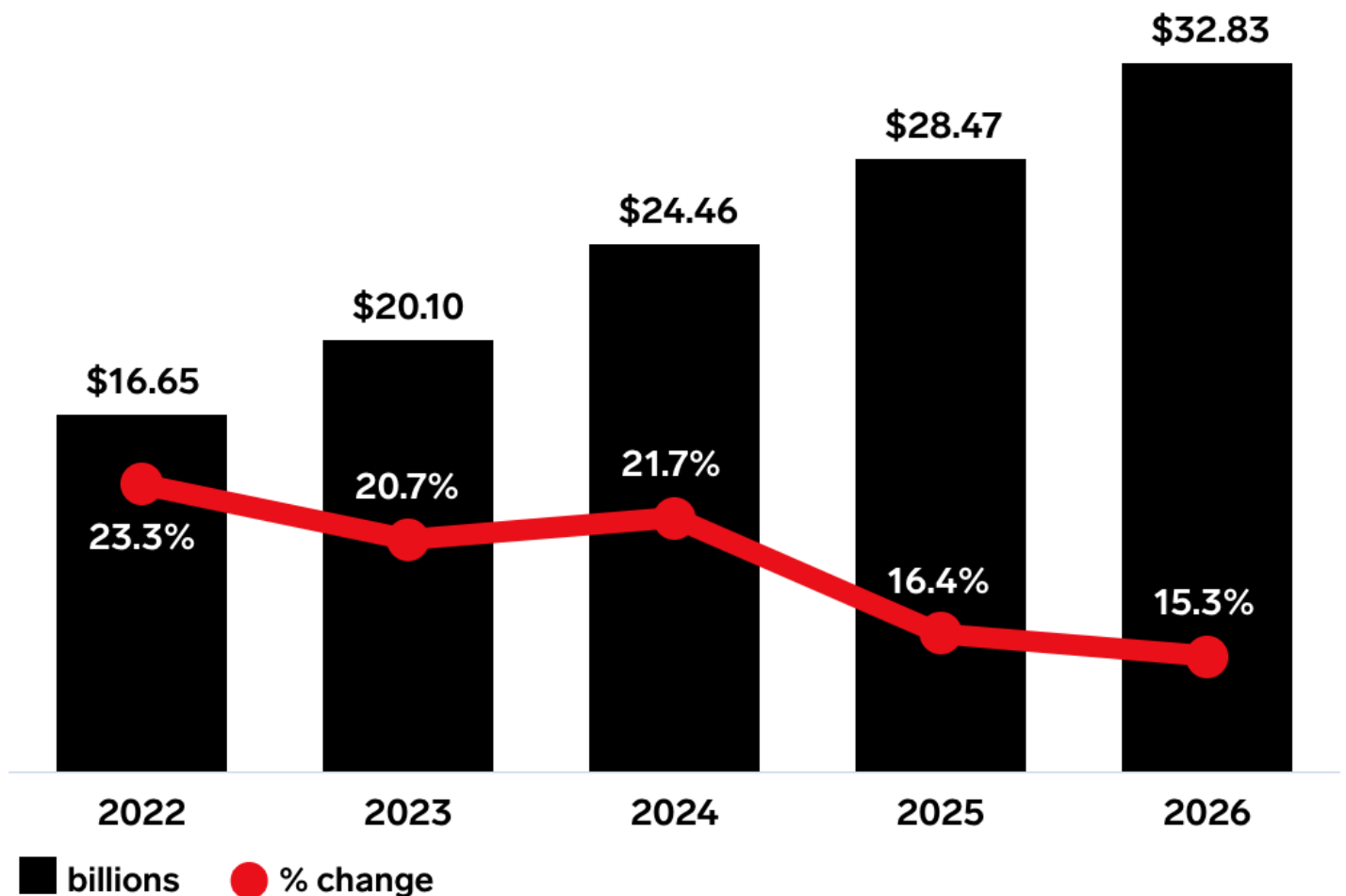
- About 75 employees at **ABC News** and its local stations will be laid off, with cuts split between national and local operations.
- This comes as part of a broader restructuring across Disney's media units, which recently included the merger of its TV studios and the elimination of 300 jobs in corporate departments.

**Our take:** Disney's focus on flexibility in its ad operations, particularly with programmatic buying, appears to be benefiting advertisers. The integration of **Hulu** into Disney+ has further simplified the consumer experience, with ad campaigns now reaching 40% more viewers while minimizing overlap between platforms.

- The Disney ad server, reappropriated from Hulu, plays a critical role in this transition, enabling direct connections with partners like **Google** and **The Trade Desk** for better data exchange and audience activation.
- Disney's introduction of AI-assisted tools to streamline the creative approval process ensures faster approvals without compromising quality, helping the company manage the increasing volume of ad content more efficiently.

# Connected TV Programmatic Video Ad Spending

US, 2022-2026



Note: digital display ads transacted or fulfilled via automation, including everything from publisher-erected APIs to more standardized RTB technology; includes in-stream video ads such as those appearing before, during, or after digital video content in a video player (pre-roll, mid-roll, or post-roll video ads) and video overlays; includes social network in-stream video advertising on platforms such as Facebook Watch and Snapchat Shows; includes outstream video ads such as native, in-feed (including video ads in Facebook's News Feed and X's Promoted Posts), in-article, in-banner, and interstitial video ads; includes advertising that appears on connected TV devices; excludes network-sold inventory from traditional linear TV and addressable TV advertising

Source: EMARKETER Forecast, June 2024

