## Amazon leaps into Upfronts, representing a new era for how CTV ads are purchased

**Article** 



The news: Amazon is set to make its upfront week debut on May 14, presenting its extensive streaming portfolio, including Prime Video, Prime Video Sports, Twitch, Amazon Freevee,





and Amazon Music, to ad buyers.

 Amazon plans to spotlight its diverse media offerings, including Prime Video's recent introduction of ads, the <u>success of Thursday Night Football</u>, original Freevee programming, and Twitch content, showcasing its broad appeal to advertisers.

**Upfront 101:** Upfront weeks are pivotal in the advertising and media industry for several reasons, primarily shaping how advertising budgets are allocated for the upcoming year.

- Upfronts secure spots before the TV season, ensuring the placement of ads in prime slots and big events for maximum reach.
- They also offer price stability, allowing advertisers to negotiate better rates than in the scatter market, aiding in budget control.
- Including streaming in Upfronts gives advertisers a view of cross-media opportunities for integrated campaigns across linear TV and digital—the latter being a key strength for Amazon.

Why it matters: Amazon's participation in the upfront week marks a significant step, especially following its successful engagement in recent NewFronts and the Prime Video ad rollout.

- The significant reach of Amazon's ad-supported services, including Prime Video's ad tier, which launched with competitive CPMs, illustrates the company's potential impact on that market. Amazon recently countered rumors that Freevee would shut down, emphasizing its ongoing strategy in the ad-supported space.
- Despite <u>some criticism and a lawsuit over</u> Prime Video ads and streaming quality, trends suggest consumers will warm up to the offering—and the Upfronts represent a critical shift in Amazon's approach to ad-supported content.

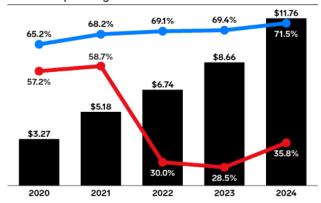
Our take: Amazon's foray into upfront week points to the company's ambitious vision for its streaming services.

By blending traditional upfront presentations with the innovative spirit of the NewFronts, Amazon is aggressively looking to make its presence felt in digital and streaming media advertising. We've already said Prime Video's ad tier would boost CTV ad spending and challenge traditional TV marketing; Amazon's move to the Upfronts will accelerate this shift.



## US Upfront/NewFronts Connected TV (CTV) Video Ad Spending, 2020-2024

billions, % change, and % of upfront/NewFronts digital video ad spending



- Upfront CTV video ad spending
- % change
- % of upfront/NewFronts digital video ad spending

Note: CTV video ad spending committed in advance per calendar year, including spending resulting from the TV upfronts, the IAB Digital Content NewFronts, and other events/meetings throughout the year Source: eMarketer, May 2023

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