

How the first \$12B election cycle will impact advertisers, whether they're political or not

Article

The first \$12 billion ad spend election is underway in the US. That ad spend figure breaks 2020's by more than \$2 billion. Whether or not brands engage in political messaging, they will

be impacted by the volume of ad inventory and how the election influences consumer sentiment.

“You can say, ‘As a brand, we don't want to touch political,’ and I totally understand that,” said Tyler Goldberg, director of political strategy at Assembly Global. “But if you are not paying attention to the political cycle and how it affects your media strategy, and you are not working with people who know what they're doing in the [political] space, then you are absolutely not serving your company's best interests.”

Presidential ad spend is moving to new states.

“There are multiple pathways to victory for the vice president that President Biden didn't have,” said Goldberg. “So you're now seeing [Kamala Harris's campaign] spend in places very heavily that the Biden campaign may have not prioritized.”

The Sun Belt states of North Carolina, Nevada, Arizona, and Georgia did not look fruitful for the Biden campaign, President Bill Clinton's former top advisor Doug Sosnik, told Politico. These states have become competitive again with Harris's candidacy, which means political ad spend may flow back into these states, said Sosnick. That will limit the ad inventory available there.

Don't discount congressional races.

Keep an eye on down-ballot races because they take away inventory in places advertisers aren't expecting elections to impact as heavily, said Goldberg.

Because races in Montana, Nevada, Arizona, Wisconsin, Michigan, West Virginia, Ohio, and Pennsylvania could decide Senate control, according to the Washington Post, political ad money is flowing there. The Ohio Senate race has already passed \$300 million, becoming 2024's first non-presidential race to do so, according to AdImpact.

These races also impact consumer sentiment. If people constantly see ads about unemployment and a slow economy, they may be hesitant to spend. Alternatively, if they're seeing ads pushing green energy, they may be inclined to make more sustainable purchases.

Connected TV (CTV) has an unprecedented election role, but linear is still vital.

CTV accounted for 2.7% of US total political ad spend in 2020. This year it will reach 12.8%, per our June 2024 forecast. The Harris campaign said it would allocate \$200 million for

digital advertising, much of which will go to streaming, per the Washington Post.

Still, 56.8% of total political ad spend in the US will go to [linear](#), per our forecast. And while that's down from 68.7% in 2020, it still shows how important traditional TV is to political advertising.

Political ads will make up 11.7% of US linear TV ad spend this year and 5.4% of CTV ad spend, per our forecast. More inventory on both of these channels will go to political ads than in non-presidential election years. But the impacts on CTV will be smaller than those on linear.

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