

# Academy Awards ad inventory is sold out, but show may not deliver on advertiser expectations

Article

**The news:** Disney has sold out all 50 commercial slots for ABC's broadcast of this year's Oscars, according to Rita Ferro, Disney's president of ad sales, in an interview with Variety.

- The popularity of the Best Picture candidates often affects the show's ratings. But while movies like “Spider-Man: No Way Home” [ruled the box office](#), films that with fewer viewers—such as “West Side Story,” “Belfast,” and “Coda”—are among this year’s Best Picture nominees.

**Behind the numbers:** The Oscars aren’t in the best place.

- ABC’s 2021 telecast received an average of 10.4 million viewers, the lowest ever for the event and a 56% reduction from the 23.6 million who tuned in in 2020, [per](#) Nielsen data. The [Grammys](#) and [Emmys](#) haven’t fared well either.
- Loss of viewership has hurt advertiser interest: The Oscars brought roughly \$115.3 million in advertising revenue in 2021, [per](#) Kantar data—down 10.7% from ABC’s \$129.2 million ad take in 2020.
- Disney sought \$1.7 million to \$2.2 million for a 30-second spot, per Variety—meaning that this year’s advertising haul for the Oscars is highly likely to be a dropoff from 2021’s weak figures.

The 2022 Oscars come at a time when consumer attitudes toward TV are changing rapidly. Eighty-two percent of US adults prefer to watch ads before a show rather than during, [per](#) an October 2021 Harris Poll study. That same study found that 81% multitask during commercial breaks.

More sponsors purchased ads during the “scatter” market—inventory purchased closer to air time— rather than the “upfront” market farther in advance. Two reasons explain this: the pandemic making it difficult to predict market conditions months in advance, and the benefits of programmatic advertising, which is purchased via auction and need not be secured early.

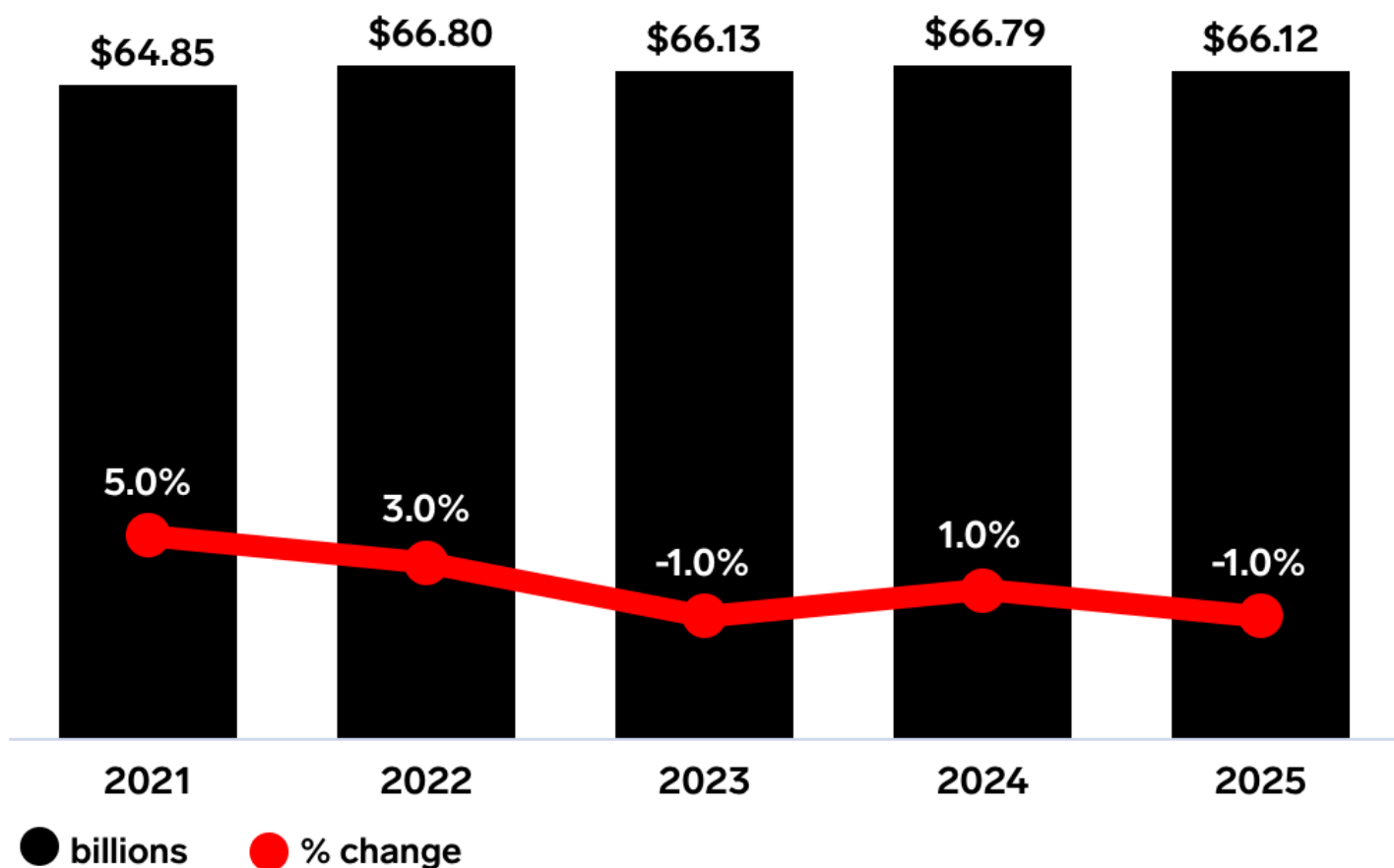
**Digital killed the TV star:** Streaming and connected TV (CTV) viewing is on the rise, and that’s clearly taking a slice of linear’s ad pie.

- We expect CTV ad spending to rise 32.3% this year, [per](#) our forecast—versus a paltry 3.0% rise for standard linear broadcast and cable. In 2022, linear TV ad spending will be about 3.5 times that of CTV ad spending; by 2025, it will fall to just 1.9 times that of CTV ad spend.
- This year’s Super Bowl [proved](#) that cross-platform viewership will be important to major events. The Oscars will be broadcast on ABC and can be streamed on abc.com or the ABC app. A free trial of YouTubeTV or Hulu Live TV will also allow access, but that’s asking too much of the typical user who can view plenty of other content.

**The big takeaway:** Much rests on the shoulders of this year's Oscars, but the show will be hard-pressed to deliver for advertisers. While the awards are an opportunity to enter the zeitgeist, audiences are increasingly fragmented. A modest bounceback from last year's disappointing show is probably the best ABC can hope for.

## TV Ad Spending

US, 2021-2025



Source: eMarketer, October 2021

eMarketer | InsiderIntelligence.com