

# Buyer's market, striking writers, and NBCU shakeups: 5 more trends from upfronts 2023

Article

It's been an upfronts season like none other as digital creeps into linear's territory and the Writers Guild of America writers' strike rages on. "We're kind of at an inflection point," said our

analyst Paul Verna. From a buyer's market to tumult at NBCUniversal, here are five trends Verna noted from upfronts so far.

### **1. It's a buyer's market.**

- Ad buyers have a lot of leeway for negotiations, both in terms of flexibility and fluidity for pricing.
- Flexibility allows buyers to cancel ads in instances where events don't happen as planned due to COVID-19 or other circumstances.
- Fluidity is the ability to commit money across the board to a network or cluster of linear and connected TV (CTV) services, rather than to one specific platform.

### **2. CTV is embedded in upfronts.**

- Upfronts and NewFronts feel like they're merging into one. "The lines are just so blurred," said Verna.
- To eliminate redundancies—like between a Peacock NewFront and a NBCU upfront or a Hulu NewFront and a Walt Disney Co. upfront, for example—many companies are combining their events.
- This means buyers are no longer thinking of linear and digital advertising as two different things, but as one fluid experience.

### **3. The writers' strike has been palpable at upfronts.**

- The strike has led to cancellations from high-ticket presenters like Colin Jost, Seth Meyers, and Jimmy Kimmel, and those attending have to cross physical picket lines.
- "The Disney event felt kind of dry and the NBC event also lacked some of the sizzle that it might have had," said Verna.
- But changing fall lineups probably won't impact ad spend. "[Buyers] just care about the eyeballs," said Verna. "As long as the audiences are there, whatever the perceived quality of the content is doesn't really matter."

### **4. NBCU's event was particularly tumultuous.**

- The strike, global advertising and partnerships chairman **Linda Yaccarino's sudden move** to Twitter, and **CEO Jeff Shell's sudden ousting** were all causes for concern surrounding NBC, Verna said.
- “Somebody said that what went on on Friday at NBC was like the Cuban missile crisis,” Verna said.

## **5. Netflix continues its push into ad-supported video-on-demand (AVOD).**

- Netflix boasted nearly **5 million ad-tier subscribers** during its upfront presentation in an effort to secure advertiser confidence in the offering.
- The increased focus on its ad-supported tier is a concession of sorts for Netflix, which maintained an entirely subscription-based model for years.
- “I think [the move to AVOD] is going to happen kind of slowly,” said Verna.

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