

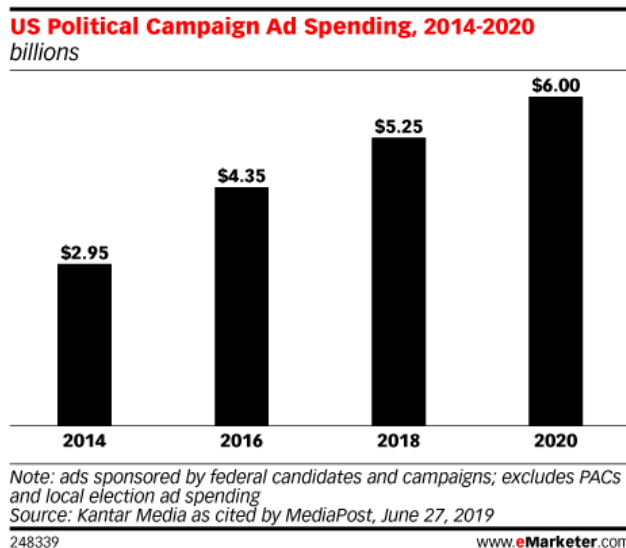
Political Ad Spend to Reach \$6 Billion for 2020 Election

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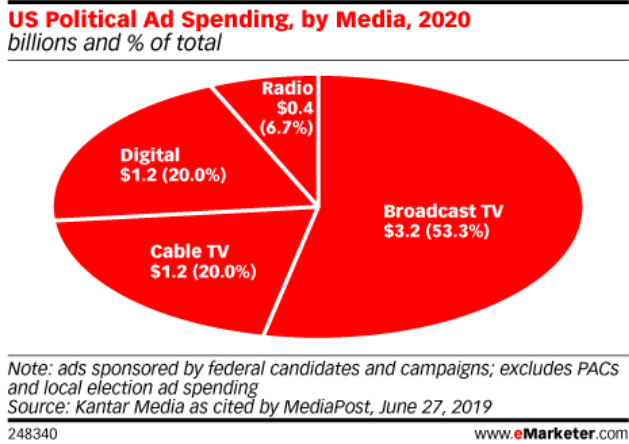
Nicole Perrin

Growth in political ad spending is expected to slow dramatically during the 2019-2020 election cycle, according to Kantar Media, which predicts political campaigns for US federal office will spend \$6 billion on paid media placements this year. But a greater share than ever will be directed toward digital channels.

Kantar predicts federal election spending this cycle to increase 14%. Growth in 2018 was 21%.

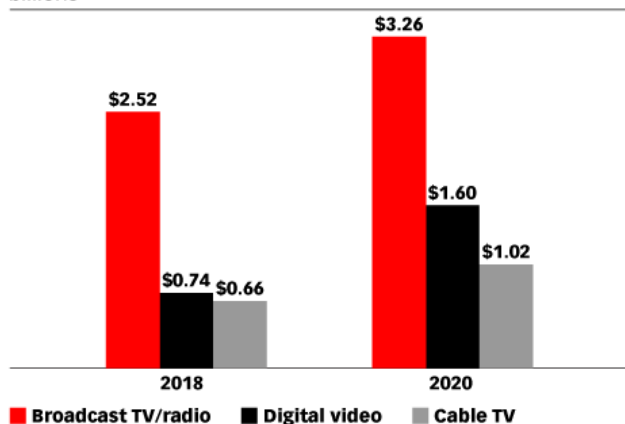


Of the \$6 billion in political campaign spending this cycle, Kantar expects 20%, or \$1.2 billion, to go to digital. TV still wins the lion's share of campaign budgets, with almost three-quarters of the total split between broadcast and cable TV.



Other recent estimates, from political ad-tracking firm Advertising Analytics and marketing analytics company Cross Screen Media, posited an even greater reliance on digital tactics. The two companies also predicted that US political campaigns would spend \$6 billion on ads this cycle, but they expected \$1.6 billion to be devoted to digital video alone. That was more than double 2018 digital video spending and more than the \$1.02 billion they thought political campaigns would spend on cable TV ads.

US Political Ad Spending, by Media, 2018 & 2020 billions



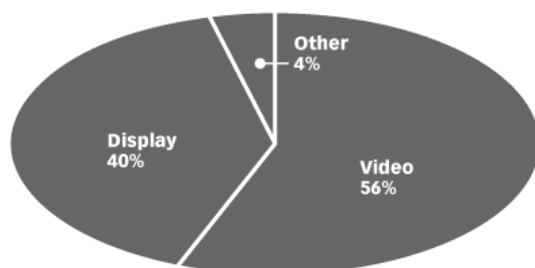
Source: Advertising Analytics and Cross Screen Media, "2020 Political Spending Projections," July 10, 2019

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Demand-side platform Centro released information in June about how state and local campaigns that had used Centro's platform to buy ads in the 2018 election cycle allocated their spending. A majority (56%) went to video.

US Political Digital Ad Spending Share, by Format, 2018 % of total



Note: among 300+ campaigns that used Centro to manage political digital ad buying for 2018 state/local elections
Source: Centro, "Will 2018 U.S. Mid-Term Ad Tech MVPs Deliver in 2020?" June 3, 2019

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We estimate that US advertisers will spend \$42.58 billion on digital video placements overall, amounting to 28.1% of digital ad spending. Most of those placements will be bought programmatically, with 82.% of US digital video ad spending forecast to be transacted in automated channels next year.