

# Macy's Thanksgiving Day Parade triples its broadcast rights asking price

Article

**The news:** NBCUniversal could pay as much as **\$60 million** annually to retain broadcast and streaming rights to the **Macy's Thanksgiving Day Parade**, The Wall Street Journal reports.

NBCU paid \$20 million under its current contract and has held the broadcast rights to the New York City tradition since 1953.

The deal would include other Macy's events like the Fourth of July fireworks in Manhattan, all of which will be available on **Peacock**.

**Zooming out:** Competition among broadcasters and streaming services for live, high-viewership events has emboldened Macy's to nearly triple its asking price from its previous contract.

- Streamers have indicated that they're **willing to spend billions** on sports rights, and yearly events like award shows have also increased asking prices in contract renegotiations, sometimes even abandoning long-time broadcast partners.
- **Disney** recently became the broadcast partner for the **Grammys** from 2027 onward after it paid 20% more than previous partner **CBS**, The Journal reported. Bidding wars empower Macy's, the owner of the high-viewership, annual parade, to ask more of NBCU—and its competitors.

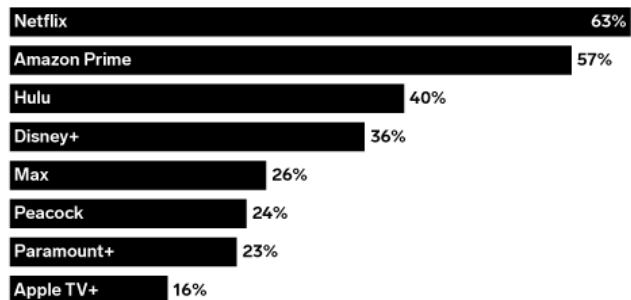
**Why it matters:** The Macy's Thanksgiving Day Parade attracted **30 million viewers last year**. Its family-friendly programming and broadcast hours the day before Black Friday makes it high-value ad space.

- **The average ad during last year's parade sold for \$865,000**, per Guideline, netting NBCU \$52 million in advertising against a production budget of about \$7 million.
- "The National Dog Show," which airs immediately after the parade, is also a major moneymaker for NBCU. Last year's show drew 11 million viewers, with ad spots priced at \$372,000 each, netting NBCUniversal \$14 million in ad revenues. The dog show is much cheaper to produce than the parade, delivering a significant profit for NBCU.

**Our take:** \$60 million for a high-value broadcast event that is nearly synonymous with the NBCUniversal brand is a small ask compared with the billions its competitors have shelled out for live broadcast rights. Macy's significant price increase shows how the feeding frenzy over broadcast and streaming rights is generating value.

## US Household Penetration of Select Streaming Services, 2023

% of total



Source: Advertising Research Foundation (ARF), "TV Deconstructed: Latest Findings From the DASH Study," June 20, 2024

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