

How the US election outcome will influence 3 key areas of digital advertising

Article



It's hard to ignore the contrasting positions taken by former President Donald Trump and Vice President Kamala Harris during their 2024 US presidential election campaigns. As with any

election, no matter who wins, the business implications will be profound. Here, we explore how digital marketing and advertising will be affected.

1. What happens to high-growth digital advertising channels like CTV and retail media?

Connected TV (CTV) and retail media have established themselves as two of the fastest-growing, most intriguing channels in digital advertising in recent years, and the election outcome could affect growth. Under a Trump administration, inflationary pressures could influence retail media spending, while a Harris administration raises the question of whether privacy legislation will extend to CTV.

If Trump wins

The primary impact on digital ad spending under a Trump administration is likely to be inflation. Trump has proposed imposing tariffs as high as 60% on foreign goods, deporting illegal immigrants, and cutting the corporate tax rate—all policies that [leading economists believe could send inflation soaring](#).

However, an inflation spike could make retail media a more valuable ad channel. Inflation would restrict ad budgets and encourage marketers to spend more on high return-on-ad-spend (ROAS) channels [like retail media](#). Advertisers who deal with essential goods are unlikely to be affected by pullbacks in consumer discretionary spending, which means they might still spend ad budgets freely.

But for advertisers late to the retail media game, a high-inflation environment could make the barrier to entry greater. New entrants to retail media might struggle to see immediate results, as it typically takes time to optimize campaigns. In an inflationary landscape, companies with tighter profit margins might hesitate to allocate resources toward these channels without prior experience, potentially hurting retail media growth among smaller and less established advertisers.

If Harris wins

Expect more progressive regulation. In September, [the FTC published a report](#) calling for tougher rules for the digital ad industry, and a Harris presidency is likely to keep the regulator's active leadership in place. That has led to speculation that CTV could soon face the same kind of [privacy scrutiny and signal loss](#) as other ad sectors, like third-party cookies.

Given the momentum behind digital streaming, though, CTV ad spending may not be weighed down by stricter regulation.

But if regulation limits the ability for data brokers to shuffle user data around the ad ecosystem, CTV platform owners like **Amazon** and **Roku** could benefit, restoring some power to their so-called walled gardens.

Areas of Digital Advertising US Advertising Professionals Anticipate Will Experience the Largest Impact From Data Privacy Laws, July 2024
% of respondents



Note: numbers may not add up to 100% due to rounding
Source: Proximic by Comscore Inc., "2024 State of Privacy in Advertising," Sep 11, 2024

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2. How will regulatory priorities shift?

The future of tech regulation, TikTok's potential ban, and the direction of antitrust actions (e.g., Google) hinge on who takes office.

If Trump wins

Though Trump typically has a pro-big-business agenda, antitrust action is not off the table. He and other Republicans are outspoken critics of Google and social media platforms. The DOJ brought its [search monopoly complaint](#) against Google under the first Trump administration, and JD Vance said the company should be broken up in July.

Trump favors fewer content restrictions while also weakening Section 230 of the Communications Decency Act, which protects platforms from being held responsible for their users' speech. As such, content moderation policies on social media could become more relaxed. This shift may raise brand safety concerns for advertisers, potentially driving some to platforms with stricter controls.

Trump has shifted from supporting a TikTok ban in 2020 to opposing it, recently promising to "save" the app if reelected after receiving support from ByteDance investor Jeff Yass. But Trump may still face pressure from Project 2025, a right-wing blueprint for a Republican

administration that calls for TikTok’s ban, though he has tried to distance himself from it. The question remains how much political capital Trump would be willing to use to prevent a ban that Republicans already voted in favor of.

If Harris wins

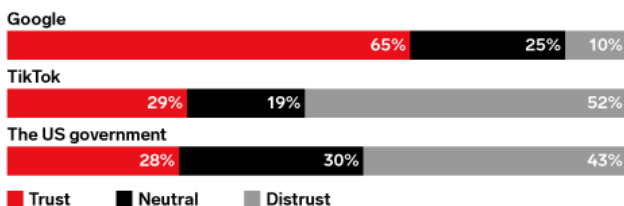
A Harris DOJ and FTC could pursue [breaking up Google](#)—dramatically shifting the ad landscape and accelerating Google’s decline. We forecast that its share of the search advertising market will fall below 50% for the first time this year, and a potential breakup could lead to even sharper contractions.

Harris’ stance may lead to stronger enforcement aimed at promoting competition, benefiting open-web platforms. Harris is more likely to push for oversight to maintain brand-safe environments under Section 230. Brands could face stricter content guidelines under Harris. Her focus on consumer protection could also translate into enhanced transparency and accountability in digital advertising.

Harris has shown caution around TikTok, citing national security concerns with ByteDance’s ownership but recognizing the app’s value to users. The TikTok ban was passed by Congress and signed by President Joe Biden, and Harris would be likely to continue its enforcement. Still, her campaign has used TikTok trends [to connect with voters](#). And according to EMARKETER forecasts, TikTok over-indexes with younger women, who are more likely to be Harris voters. If an appeals court strikes down the ban, Harris could opt not to pursue further action, allowing TikTok to keep operating in the US.

US Adults Trust Google Considerably, but Trust in TikTok and the US Government Is Equally Low % of US adults, May 2024

Q: How much do you trust the following tech or media companies?



Note: n=1,000 ages 18+; numbers may not add up to 100% due to rounding
Source: All About Cookies, "Big Tech Trust: Survey Shows Wide Range Of Skepticism Toward Silicon Valley Companies And Their CEOs," May 28, 2024

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3. What happens to traditional media?

As traditional media grapples with declining engagement and ad spending, the 2024 election outcome could shape its future. A second “Trump bump” might provide temporary gains, while a Harris administration may bring a steadier news cycle with some legislative coverage spikes.

If Trump wins

Traditional media, like CNN and The New York Times, could increase their audience engagement, similar to the gains during Trump’s first term when controversial policies drove near-constant news. Fox News saw significant prime news viewership increases under the first Trump administration, outpacing CNN and MSNBC, per Pew Research, which suggests conservative media will benefit most.

This potential rise in viewers may help linear TV and other legacy platforms offset some of their audience losses, giving players like Paramount, Warner Bros. Discovery, and NBCUniversal more time to explore digital distribution models.

Digital newspaper ad spending could increase as it did during Trump’s previous term, but print newspaper spending will continue declining. Digital newspaper ad spending rose from \$4.04 billion to \$4.74 billion from 2016 to 2020, while **print newspaper ad spending** plummeted from \$13.33 billion to \$5.5 billion. However, more news doesn’t necessarily mean more advertising; brands may be hesitant to appear alongside upsetting stories.

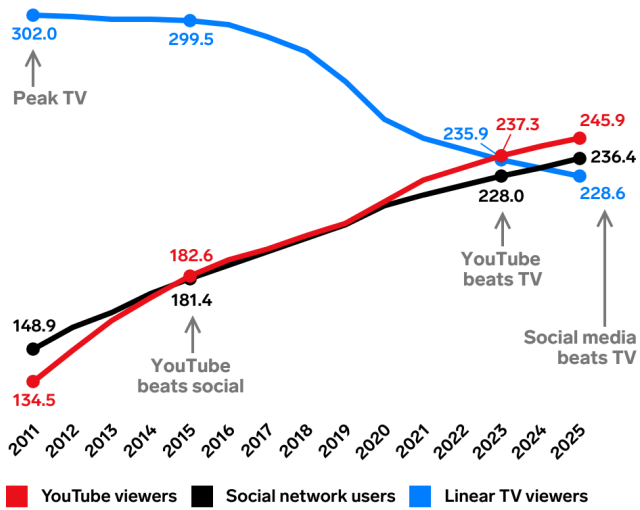
If Harris wins

A Harris’ administration would likely attract significant initial attention as she would be the first woman and person of South Asian descent to become president. However, over time she is likely to generate a less volatile news cycle than Trump, with fewer high-profile controversies, while maintaining moderate engagement.

The likelihood of a Republican majority in the Senate could still result in a contentious dynamic, sparking frequent legislative news coverage that might offset a calmer executive branch.

While Linear TV Is in Decline, an Intense News Cycle Could Slow Its Demise

millions of US YouTube viewers, social network users, and linear TV viewers, 2011-2025



Note: YouTube viewers are individuals of any age who watch YouTube via app or website at least once per month; social network users are internet users of any age who use a social network via any device at least once per month; linear TV viewers are individuals of any age who watch live or recorded video on a TV set at least once per month, includes DVR and other prerecorded video such as video downloaded from the internet but saved locally, and excludes digital; YouTube viewer forecast from Feb 2024; social network user forecast from May 2024
 Source: EMARKETER Forecast, June 2024

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