

# Q1 2025 Marketplace Update

## 1Q 2025 linear marketplace unexpectedly tighter than anticipated

Typically, 1Q, especially the first few weeks of January, is one of the most open time periods for DR advertisers. With many General Advertisers holding back dollars it leaves more ad availability for DR and because of the more open market, pricing tends to be at the lowest. However, the DR marketplace saw unexpected tighten up within days of the start 1Q 2025.

### **Increase in General Advertiser/Upfront spending with adjusted flighting**

With linear upfront spending slightly down YoY but not down as much as ratings, there are less available impressions in the market making a tighter marketplace to start. Additionally, there were less options taken for 1Q than there has been traditionally. Upfront advertisers don't typically start laying in 1Q until mid January but there was an influx of upfront advertisers either laying in paid airings or accepting ADUs (audience deficiency units (bonus airings)) during the first 2 weeks of January. NBC noted they saw a higher allocation of spend for upfront advertisers in 1Q & 2Q 2025 compared to previous years. Anecdotally, networks are seeing a heavier amount of scatter dollars in 1Q compared to 4Q and YA (year ago), according to AMC Networks, NBC Networks, WBD Networks and Disney Networks. This is putting pressure on the DR market as there is less DR inventory left to fill. Additionally, many networks were closed during the holidays forcing clients to lay in their schedules earlier with advanced logs and there was limited ability for DR advertisers to make adjustments as the GA (general advertising) media was placed.

### **Traditional categories are back to spending**

The traditional heavy spenders are back and spending more YoY. Insurance, Pharma, and Weight loss are top spenders with telehealth, travel, movies, finance and package goods also keeping healthy budgets. Networks have indicated that they are seeing pull back from weight loss advertisers that are not Wegovy or Ozempic as performance is down greatly due to these two advertisers share of market.



# 1Q 2025 linear marketplace unexpectedly tighter than anticipated

## Sports & News

- Fox News has seen limited drop off in viewership post election and with the recent breaking news, news viewership is up and demand continues to be up as well making a more expensive marketplace
- CNN & MSNBC saw a massive decline in ratings post election which is now translating to higher levels of ADUs for guaranteed clients. As news marketplace was tight in 4Q, many DR advertisers secured fixed deals moving into 1Q'25 to ensure clearance. Overall demand is down on CNN & MSNBC but with ratings down, the marketplace is expected to remain tight.
- Overall sports marketplace remains very healthy with many leagues are at or close to sell out. NBA ratings are down, making a tighter marketplace. March Madness has higher demand vs year ago any deals being done now are not getting a guarantee and are required to buy March Madness Live. NFL saw early sellout for both regular season and playoffs putting heavy stress on inventory, especially in linear. All women's sports have seen heavy momentum and inventory was moved a lot earlier this year and is well sold

## Broadcast

- Prime is tight through January and tentpole events are selling out earlier this year. Evening news continues to have limited avails. Daytime is one of the tighter dayparts while Late Night is more open.



## Outlook

- General entertainment cable will start seeing things settle in and be more consistent as we move into later part of January and the rest of the quarter. While there are pockets of inventory across many networks, the rates are going to continue remain higher than desired as demand remains. Networks with “opportunity” include Adult Swim, Syndication, TBS (DA), Magnolia, Cartoon, History, Boomerang, FXX, ESPNNews, ACC, SEC and many other tier 2/3 networks.
- Broadcast Prime should see more openness in February and March
- News will continue to be tight through the first 100 days of Trump being in office, particularly Fox News
- Sports will see some opportunities in March Madness Live, NBA playoffs
- Rain's outlook on the remainder of 2025 is that the linear marketplace will maintain tight as experienced over the last year. Expectation is that linear spending will be down by ~5% YoY but viewership is continuing to shift towards streaming at a higher rate, especially with the lack of live events like Olympics and elections that occurred in 2024. Keeping a close eye on how upfront advertisers take options across the year will be a good indicator of potential openness in the market. However, within all categories individual brands are very inconsistent and reactive with their budgets. Additionally, the new presidential term can vastly change the linear marketplace particularly with pharma clients.
- Streaming viewership, both for entertainment and sports, will continue to be on the rise in 2025 and expect pricing to remain efficient



## Strategies for navigating a tight linear TV market?

- ❑ Increasing rates on the best of the best networks
- ❑ Consider Fixed/Quarterly/Upfront schedules for campaigns that rely on specific programming like Fox News
- ❑ Stay ahead of the market – build surround schedules for big events like Inauguration, Super Bowl, March Madness
- ❑ Fill the holes/gaps on best stations ensuring you are on every daypart and potentially all media types including national and local cable breaks
- ❑ Leverage different tape lengths and new lengths (:20, :45, :75, :90, :120) especially on the best performing networks
  - ❑ Stitching together existing spots to create new spot lengths (2x:60 = :120, 2x:30 = :60)
- ❑ Continue testing new stations
- ❑ Unwired networks
- ❑ Syndication firesales
- ❑ Network firesales
- ❑ GCPM / GCPSNU / PI layer on – Look at guaranteed performance deals
- ❑ Create layered campaign approach – create new campaign that allows you to keep your existing rates and then layer on a new schedule with a higher rate to try to clear ultimately creating a blended rate
- ❑ Low rate, high frequency strategy
- ❑ Sports – look at pre and post game opps
- ❑ Women sports





## YoY DRTV Spend increased 3% Avg. Airings increased by 42% vs. the avg from 2020-2022

Year	Spend (\$)	Airings	% Spend Diff YoY	% Airings Diff YoY	
2020	\$412,423,399	326,610			
2021	\$419,030,621	383,864	2%	18%	Avg Airings from 2020-2022
2022	\$448,096,783	311,280	7%	-19%	340,585
2023	\$410,658,176	420,649	-8%	35%	
2024	\$416,028,929	470,942	1%	12%	% Increase in Avg. Airings from '20-22 vs 2024
2025	\$428,294,776	485,100	3%	3%	42%
<b>Grand Total</b>	<b>\$2,534,532,684</b>	<b>2,398,445</b>			



Source: DR Metrix



## 17% increase in ad units in market YoY with the largest increases in newer ad lengths 1:15, 1:30 and :45 lengths which are being driven by Pharma advertisers

	2020	2021	2022	2023	2024	2025	YOY Variance
:10	2,251	2,086	1,472	2,153	4,132	1,538	-63%
:15	279,452	264,062	267,657	246,796	282,375	330,097	17%
:20	394	1,147	641	1,741	1,042	290	-72%
:30	151,109	149,242	145,127	140,949	142,301	168,137	18%
:45	318	1,037	249	1,469	1,382	3,389	145%
:60	33,985	24,599	26,409	41,140	33,364	37,885	14%
1:15	45	13	3	23	25	1,147	4488%
1:30	1,511	866	819	972	479	2,138	346%
2:00	6,501	6,991	7,511	18,171	15,487	18,480	19%
3:00		2	1		34	15	-56%
<b>Total</b>	<b>475,566</b>	<b>450,045</b>	<b>449,889</b>	<b>453,414</b>	<b>480,621</b>	<b>563,116</b>	<b>17%</b>



Source: Vivvix

## Media Week 1 (12/30/24 vs. 1/1/24) Increase in Spend by Company

Company	1/1/24 Spend (\$)	Airings	12/30/24 Spend (\$)	Airings	YoY Spend Diff	YoY Spend % Diff	YoY Airing Diff
St. Jude Children's Research Hospital	\$9,539,685	2282	\$11,299,058	3318	\$1,759,373	18%	1036
Progressive	\$7,862,856	2660	\$10,997,824	5305	\$3,134,967	40%	2645
wegovy			\$9,709,572	1656	\$9,709,572		1656
Rocket Money	\$5,324,267	12638	\$8,625,957	14212	\$3,301,691	62%	1574
Rinvoq	\$5,314,091	1369	\$7,565,424	2663	\$2,251,333	42%	1294
Liberty Mutual	\$5,548,884	3881	\$5,767,505	4199	\$218,621	4%	318
Tremfya	\$2,440,881	930	\$5,575,416	1734	\$3,134,534	128%	804
Descovy			\$4,923,065	763	\$4,923,065		763
Dupixent	\$84,361	5	\$4,470,691	1413	\$4,386,330	5199%	1408
Shriners Hospitals for Children	\$6,250,883	1448	\$4,290,256	1747	-\$1,960,627	-31%	299
Wheel of Fortune Free Play	\$63	1	\$4,093,093	1975	\$4,093,030	6482468%	1974
Turbo Tax	\$3,341,839	2198	\$4,004,668	3337	\$662,829	20%	1139
Ozempic	\$2,656,481	415	\$3,990,247	511	\$1,333,767	50%	96
U.S. Department Of Health And Human Services	\$16,261	17	\$3,730,464	929	\$3,714,203	22841%	912
Golo	\$3,399,515	3859	\$3,713,506	5641	\$313,991	9%	1782
ASPCA	\$3,311,889	634	\$3,683,368	898	\$371,479	11%	264
Cabenuva	\$4,208	4	\$3,467,352	461	\$3,463,145	82304%	457
Planet Fitness	\$3,730,236	2051	\$3,264,566	1503	-\$465,671	-12%	-548
Geico	\$1,649,052	349	\$3,205,537	1023	\$1,556,485	94%	674
Kohl's	\$632,948	421	\$2,984,520	3305	\$2,351,572	372%	2884
Trivago	\$2,253,376	1433	\$2,972,120	1714	\$718,744	32%	281
Consumer Cellular	\$3,181,675	2994	\$2,822,395	2450	-\$359,280	-11%	-544
Celebrity Cruises	\$1,758,816	930	\$2,805,016	1246	\$1,046,200	59%	316
Paxlovid	\$1,616,816	48	\$2,776,016	537	\$1,159,200	72%	489
Chewy.com	\$1,830,401	884	\$2,774,926	1510	\$944,525	52%	626
Grainger	\$2,231,753	5509	\$2,742,879	7291	\$511,126	23%	1782

Source: DR Metrix



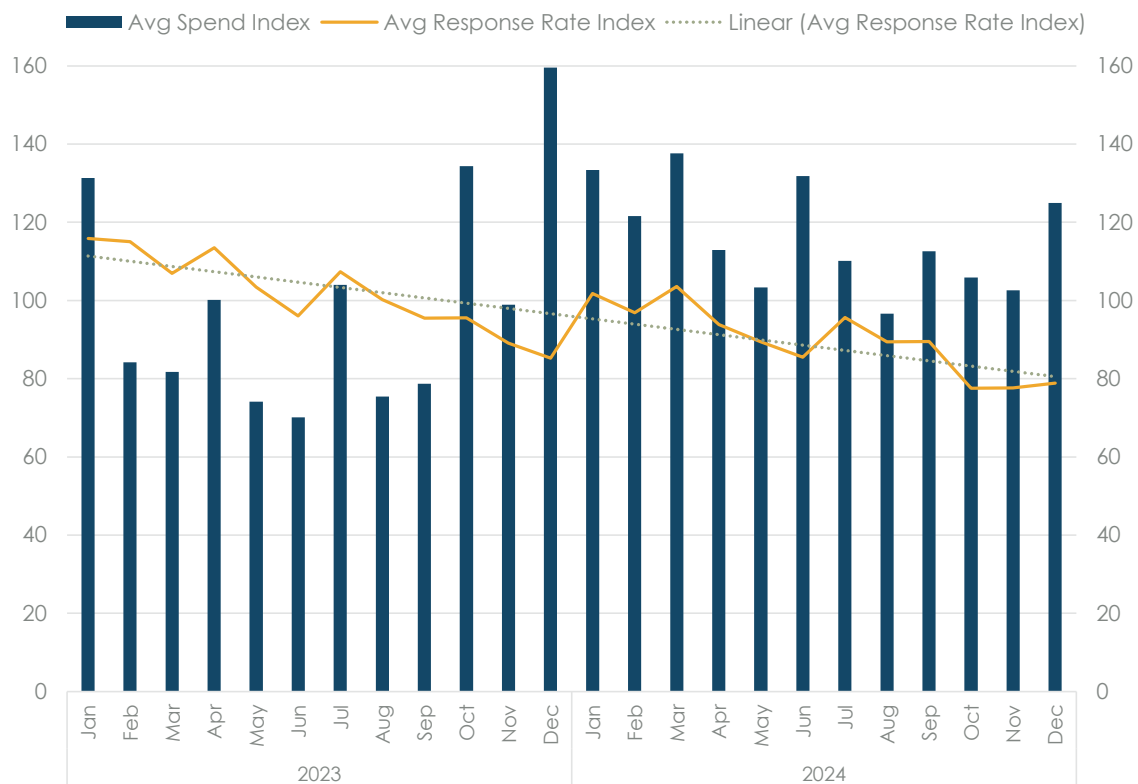
## Financial, Travel, and Electronics saw the largest increase in spend in Dec.

INDUSTRY GROUP	Oct-Dec Total Spend			Oct		Nov		Dec			
	2023	2024	YOY DIFF	2023	2024	2023	2024	2023	2024	DEC DIFF	% Change
Financial and Insurance	\$1,719M	\$1,905M	\$186,634,372	\$587M	\$618M	\$599M	\$681M	\$533M	\$606M	\$72,758,242	14%
Travel and Tourism	\$252M	\$291M	\$39,122,537	\$81M	\$73M	\$79M	\$96M	\$92M	\$123M	\$30,520,329	33%
Electronics	\$117M	\$187M	\$70,076,017	\$24M	\$54M	\$43M	\$71M	\$51M	\$63M	\$11,995,305	24%
Apparel	\$153M	\$176M	\$22,215,647	\$49M	\$61M	\$55M	\$58M	\$50M	\$57M	\$7,009,061	14%
Pharmaceuticals	\$1,528M	\$1,480M	-\$48,368,780	\$539M	\$488M	\$516M	\$512M	\$473M	\$479M	\$6,507,407	1%
Government and Organizations	\$382M	\$542M	\$159,583,460	\$118M	\$219M	\$123M	\$176M	\$142M	\$147M	\$5,526,078	4%
Games, Toys and Sporting Goods	\$331M	\$307M	-\$23,139,289	\$108M	\$101M	\$123M	\$102M	\$99M	\$104M	\$4,916,277	5%
HH Supplies and Cleaners	\$340M	\$343M	\$2,913,833	\$108M	\$103M	\$113M	\$117M	\$119M	\$123M	\$3,924,782	3%
Restaurants	\$1,006M	\$1,046M	\$40,802,881	\$388M	\$372M	\$309M	\$364M	\$308M	\$311M	\$2,826,421	1%
Education	\$66M	\$78M	\$12,616,322	\$22M	\$26M	\$20M	\$26M	\$24M	\$26M	\$2,147,695	9%
Energy	\$13M	\$9M	-\$4,576,147	\$6M	\$3M	\$3M	\$2M	\$4M	\$5M	\$949,322	26%
HH Building Materials and Fixtures	\$90M	\$83M	-\$6,338,836	\$38M	\$35M	\$27M	\$26M	\$25M	\$23M	-\$2,333,375	-9%
Miscellaneous	\$193M	\$163M	-\$30,272,683	\$72M	\$48M	\$57M	\$54M	\$64M	\$61M	-\$2,988,324	-5%
Food and Beverage	\$1,162M	\$1,131M	-\$31,038,619	\$373M	\$348M	\$393M	\$391M	\$395M	\$391M	-\$3,957,684	-1%
Office Equipment and Manufacturing	\$57M	\$47M	-\$10,041,813	\$11M	\$15M	\$21M	\$19M	\$24M	\$12M	-\$11,940,389	-49%
HH Appliances, Furnishings and Paint	\$254M	\$189M	-\$65,038,842	\$74M	\$55M	\$108M	\$83M	\$72M	\$52M	-\$20,933,836	-29%
Pets	\$190M	\$141M	-\$49,373,380	\$64M	\$51M	\$64M	\$50M	\$62M	\$40M	-\$22,567,888	-36%
Telecommunications	\$904M	\$795M	-\$109,096,823	\$302M	\$228M	\$316M	\$306M	\$286M	\$261M	-\$25,287,629	-9%
Personal Care Products	\$650M	\$582M	-\$68,653,669	\$211M	\$172M	\$211M	\$210M	\$228M	\$199M	-\$28,987,597	-13%
Medical Services and Equipment	\$249M	\$229M	-\$19,628,494	\$65M	\$76M	\$58M	\$57M	\$126M	\$96M	-\$29,603,835	-24%
Retail	\$1,479M	\$1,332M	-\$146,893,954	\$330M	\$301M	\$646M	\$570M	\$504M	\$461M	-\$42,881,514	-9%
Local Services	\$533M	\$550M	\$17,536,561	\$150M	\$185M	\$155M	\$184M	\$228M	\$181M	-\$46,573,371	-20%
Non-Rx Remedies	\$556M	\$491M	-\$64,854,380	\$182M	\$175M	\$160M	\$159M	\$214M	\$156M	-\$58,165,271	-27%
Automotive	\$973M	\$810M	-\$163,884,252	\$342M	\$259M	\$304M	\$292M	\$327M	\$259M	-\$67,487,727	-21%
Media	\$959M	\$778M	-\$181,224,826	\$280M	\$237M	\$340M	\$274M	\$339M	\$267M	-\$72,158,958	-21%
<b>Total</b>	<b>\$14,158M</b>	<b>\$13,687M</b>	<b>-\$470,923,157</b>	<b>\$4,524M</b>	<b>\$4,304M</b>	<b>\$4,844M</b>	<b>\$4,881M</b>	<b>\$4,790M</b>	<b>\$4,503M</b>	<b>-\$286,786,479</b>	<b>-6%</b>



Source: Vivvix

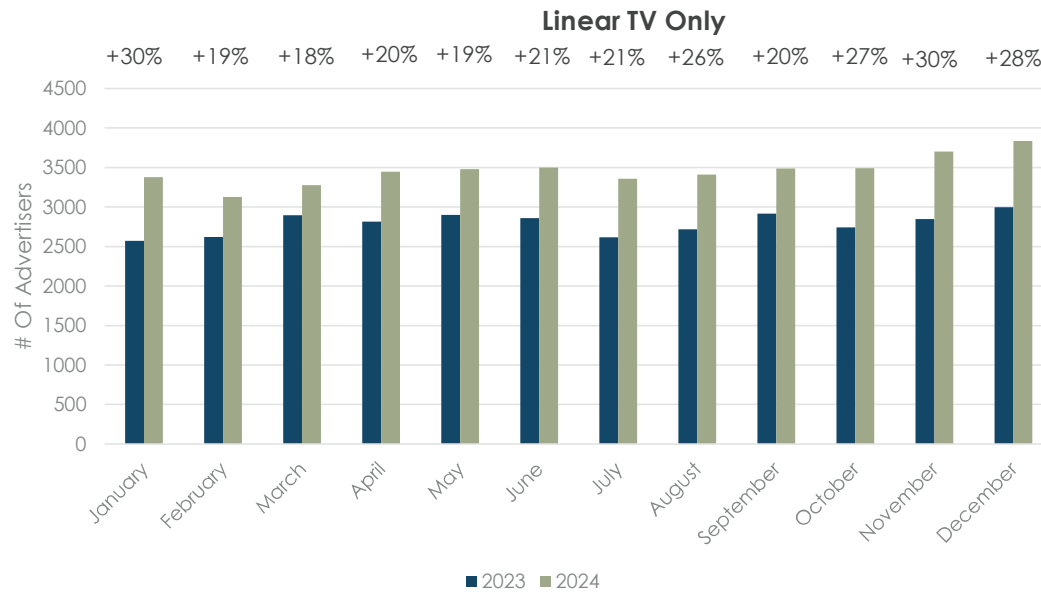
## Response Rate Index in 2024 was -12% lower vs. prior year, but Average Spend is up +17%



- Compared to prior month, December's Response Rate Index increased by 2% (vs. November 2024), while Average Spend Index is 22% higher MoM
- Compared to December LY, the Response Rate Index is 8% lower YoY at 79 Index vs. an 85 Index in December 2023, and the Average Spend Index is 22% lower YoY



## 2024 saw 24% increase in advertisers on Linear TV



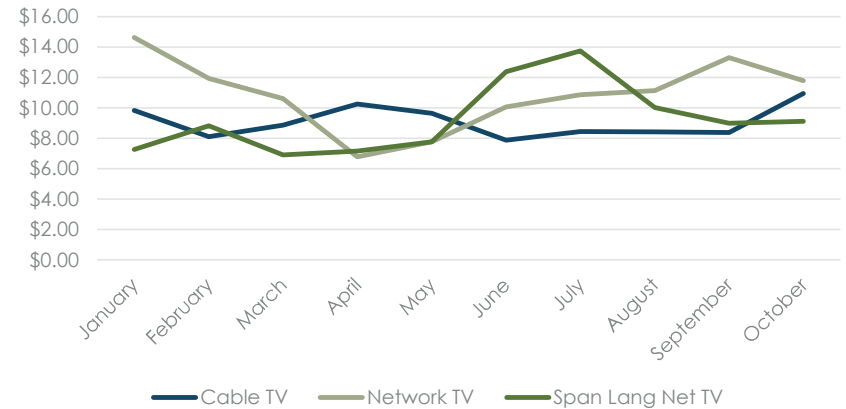
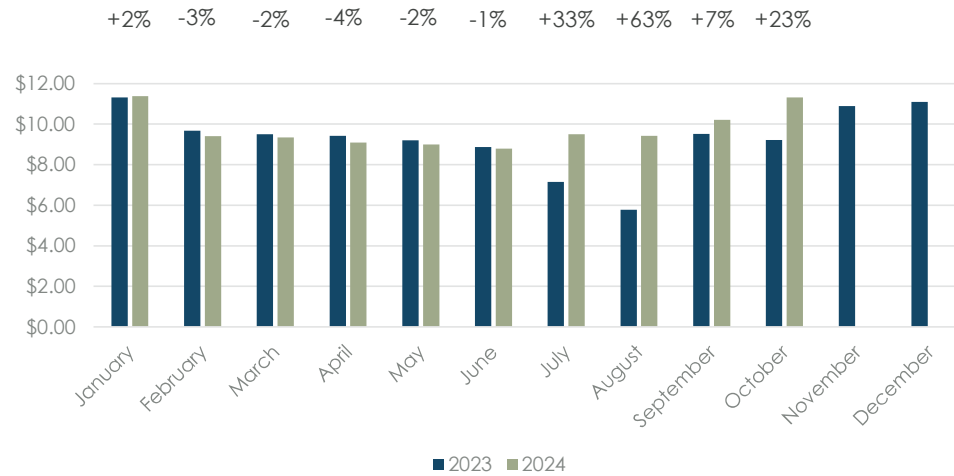
- While number of advertisers is up YoY across offline channels, seeing most significant YoY increases for Linear TV
- New advertisers in 2024 with the highest spend include Homes.com, Regeneron & Teva

Source: Vivvix (formerly Kantar)  
Offline includes: TV, Radio & Print  
Date Range: January 2023 – December 2024



## P50+CPMs increased 9% YOY starting in July

July/August increase during Olympics in Network/Spanish Language: CPMs increased majority of all networks in October



	January	February	March	April	May	June	July	August	September	October
Cable TV	\$9.82	\$8.11	\$8.85	\$10.26	\$9.63	\$7.87	\$8.43	\$8.42	\$8.38	\$10.96
Network TV	\$14.62	\$11.94	\$10.61	\$6.78	\$7.76	\$10.06	\$10.85	\$11.13	\$13.29	\$11.79
Span Lang Net TV	\$7.25	\$8.82	\$6.90	\$7.15	\$7.77	\$12.37	\$13.74	\$10.01	\$8.99	\$9.12
<b>Grand Total</b>	<b>\$11.35</b>	<b>\$9.35</b>	<b>\$9.32</b>	<b>\$9.06</b>	<b>\$8.97</b>	<b>\$8.70</b>	<b>\$9.41</b>	<b>\$9.34</b>	<b>\$10.13</b>	<b>\$11.20</b>

Source: Vivvix (formerly Kantar)  
Date Range: January 2023 – October 2024