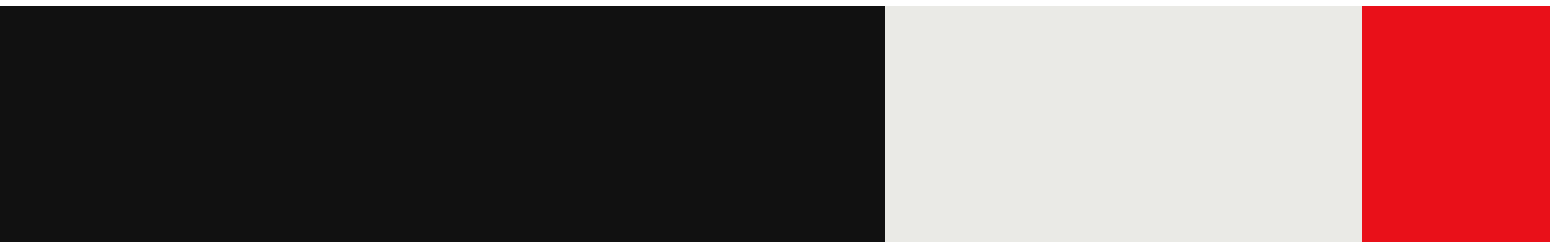



# Upfront linear TV ad spend will decline again

## Article



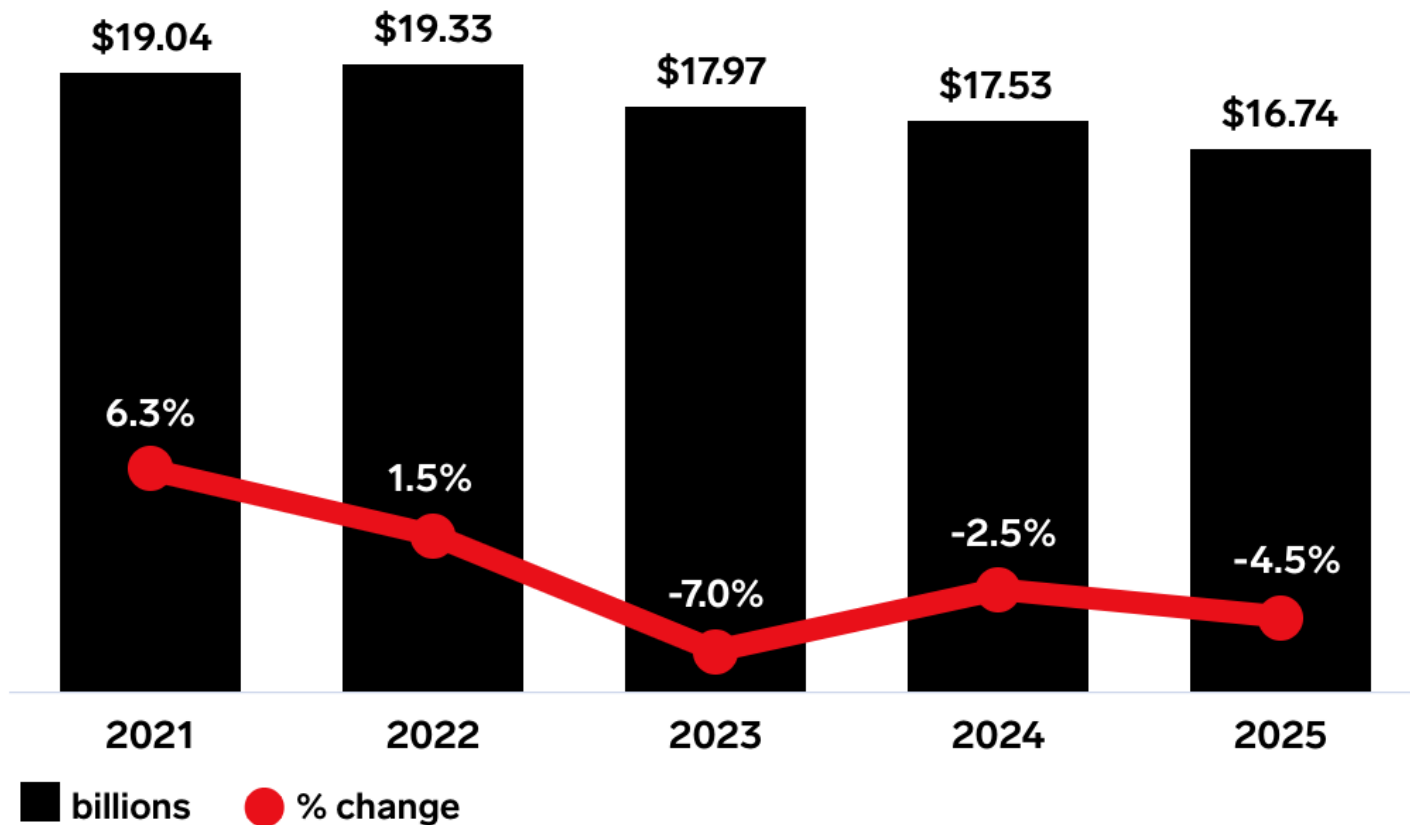
Linear TV has been the bread and butter of upfront advertising. Although linear TV is declining, upfront spending will outlive it as commitments shift to digital inventory.

- **Decreases in upfront ad spending are linked to broader issues dragging down linear TV.** Continual cord-cutting is reducing linear TV ad spending, which in turn reduces upfront linear commitments. Upfront linear TV ad spending peaked in 2022 and the decline shows no signs of reversing.

- **Upfront linear TV spending is declining in tandem with total linear TV ad spending.** Between 2021 and 2024, US linear TV ad spending had a negative 3.5% CAGR. During that period, upfront TV had a negative 2.7% CAGR.
- **Advertisers will push for lower ad prices.** Following years of increases that exceeded inflation, upfront CPMs declined last year, according to Media Dynamics. Ad buyers will again seek price “rollbacks,” Variety reported. Buyers believe that the increased supply of streaming ad inventory will drive ad prices down. However, advertisers commonly ask for price rollbacks during the upfronts and have had limited success.
- **The scatter market has been soft lately.** Inventory that’s not sold upfront gets sold in the scatter market, where deals take place closer to when ads run. While scatter ad prices are higher than upfront prices, scatter inventory costs just 14% more than upfront inventory in 2023, down from 27% in 2021, according to Guideline data cited by Advanced Television. “The scatter market has been extremely slow” to begin the year, said Catherine Walstad, vice president, MA media at Marketing Architects. “We expect that trend to continue.” Scatter market activity will likely increase in Q4 due to last-minute ad buys occurring during the holiday season, she added. Politics will also create “some tightness” with streaming inventory later in the year, Walstad said.
- **The upfronts will outlive linear TV.** Upfront buying emerged in the 1960s when advertisers secured ad placements ahead of fall TV schedules built around the launch of new car models. Even though advertisers can now use advanced technology to purchase inventory right before their ads run and target specific groups of people, the seemingly archaic practice of upfront buying remains strong. Video streaming services, podcasts, video games, and retail media networks all sell inventory upfront.

# US Upfront TV Ad Spending

US, 2021-2025



Note: includes TV ad spending per broadcast year resulting from the national primetime TV upfronts; includes broadcast networks and cable channels; TV includes digital

Source: EMARKETER Forecast, May 2024

Read the full report, [Digital Video Forecast and Trends Q2 2024](#).

Report by Ross Benes Jun 18, 2024

# Digital Video Forecast and Trends Q2 2024

