

2020 POLITICAL AD IMPACT

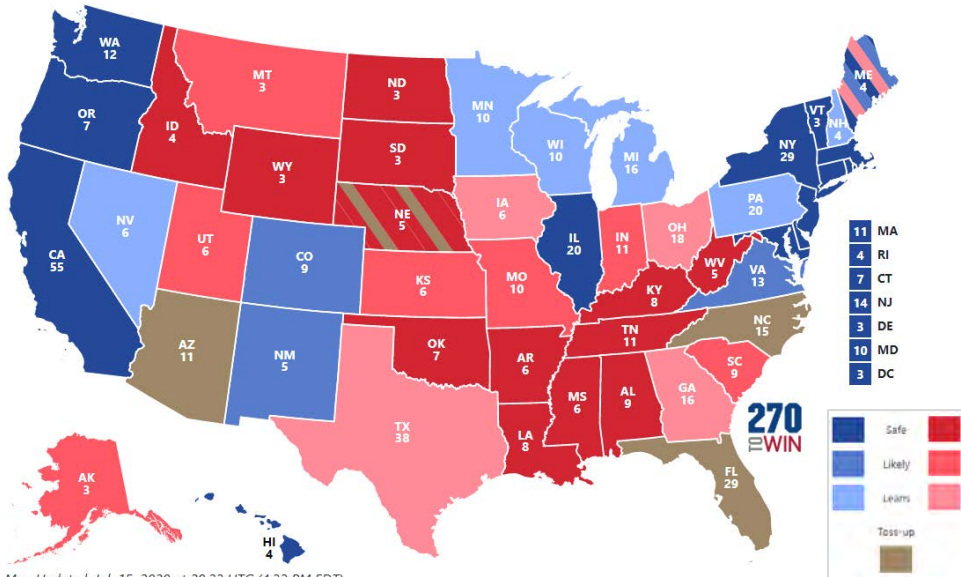
7/16/2020



2020 POLITICAL PICTURE: PRESIDENTIAL BATTLEGROUND



PRESIDENT



Map Updated: Jul. 15, 2020 at 20:33 UTC (4:33 PM EDT)

Five “Toss Up” states - Arizona, Florida, Maine (split), Nebraska (split), North Carolina

Seven “Lean Democrat” - Michigan, Minnesota, Nebraska, Nevada, New Hampshire, Pennsylvania, Wisconsin

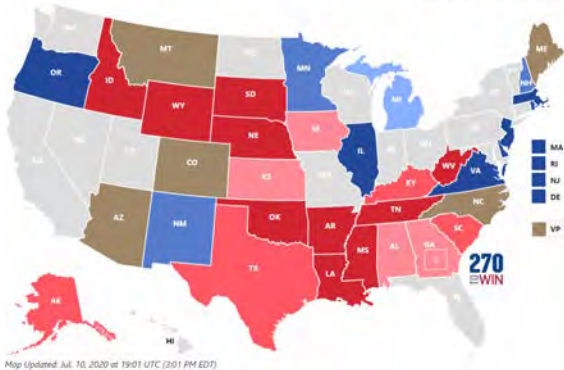
Four “Lean Republican” - Iowa, Georgia, Ohio, Texas

Source: [270towin.com](https://www.270towin.com) Consensus Maps.

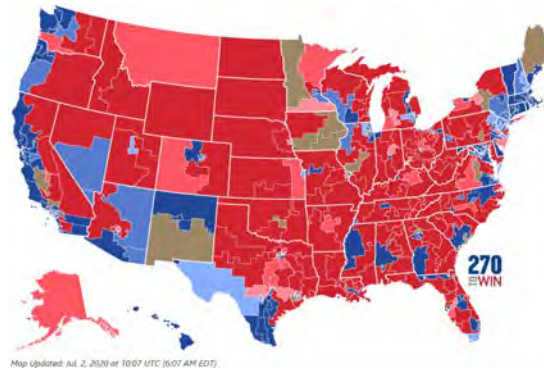
2020 POLITICAL PICTURE: SENATE, HOUSE, AND GUBERNATORIAL RACES



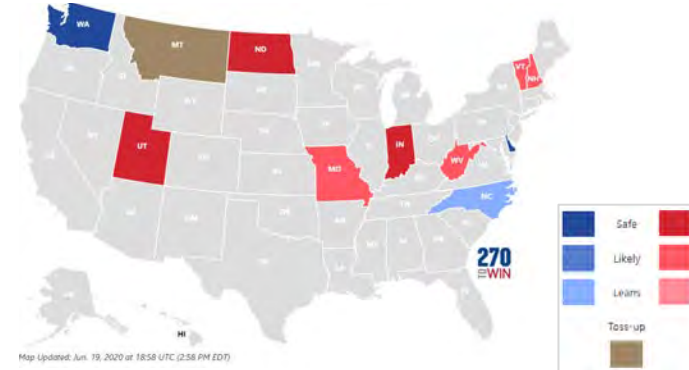
SENATE



HOUSE



GOVERNOR



Five "Toss Up" states - Arizona, Colorado, Maine, Montana, North Carolina

One "Lean Democrat" - Michigan

Four "Lean Republican" - Alabama, Georgia-2, Iowa, Kansas

Toss Ups in:
California (2), Georgia (2), Iowa (3), Illinois, Maine, Minnesota, New Mexico, New York (2), Oklahoma, Pennsylvania, South Carolina, Texas (2), Virginia

Montana is a Toss Up

North Carolina is leaning Democrat.

Nine other states are either likely or safely Red or safely Blue.

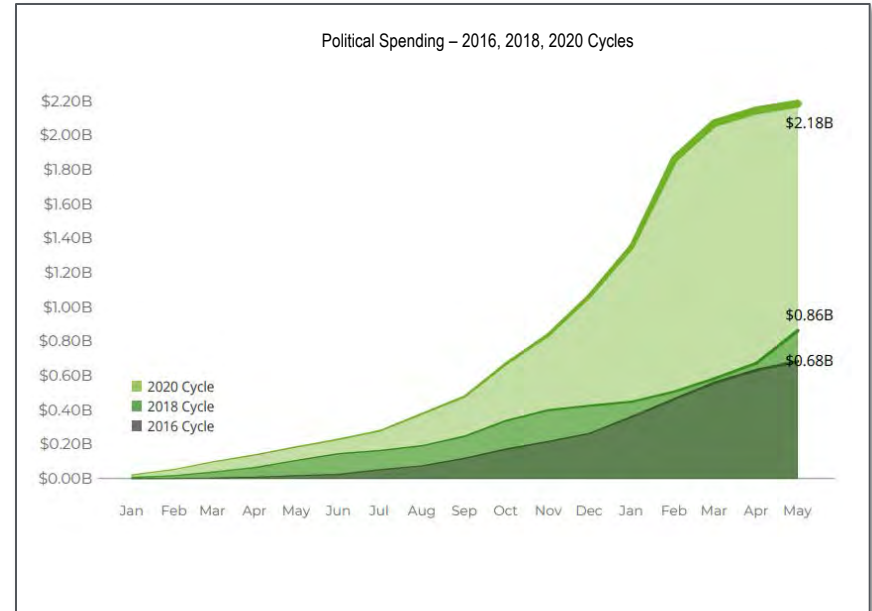
Source: [270towin.com](https://www.270towin.com) Consensus Maps.

SO FAR, 2020 POLITICAL SPENDING OUTPACES PRIOR YEARS



\$2.2 billion has been spent during the 2020 cycle

- Over \$1 billion more than what was spent at this point in 2016 and 2018
- Excluding Bloomberg, the \$1.58 billion spent so far is nearly 2x that of any other cycle
- In 2016 and 2018, 54% of the cycle's total cash was spent in the final 10 weeks
- \$443M has already been reserved for the fall of 2020



Source: Advertising Analytics; May 2020

POLITICAL SPENDING ON THE RISE



Kantar revises projection to \$7 billion

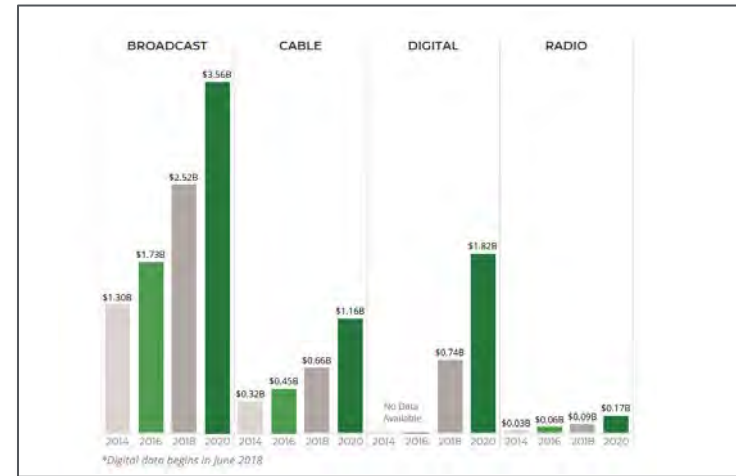
- Up from \$6 billion projected in February
- TV and digital
- Campaigns and PACs
- Didn't see expected spending dip from pandemic and economic crisis
 - Candidates spending less on travel and events

[WSJ.COM](https://www.wsj.com); 7/10/20

[InsideRadio.com](https://www.insideradio.com); 7/13/20

Advertising Analytics consistent with Kantar at \$6.7 billion

- \$4.9 billion in broadcast TV, cable, and radio
- \$1.8 billion on digital video; largely Facebook and Google



Source: Advertising Analytics; May 2020

PRESIDENTIAL TV SPENDING: BIDEN MORE FOCUSED, TRUMP MORE BROAD



Candidate \$	Biden \$3.2 million	Trump \$31.4 million
<u>PAC \$</u>	<u>\$12.2 million</u>	<u>\$4.3 million</u>
Total	\$15.4 million	\$35.7 million
Geography	More Focused Arizona, Florida, Michigan, North Carolina, Pennsylvania, and Wisconsin	More Broad Aired in Biden States plus Alabama (reach into FL), Georgia, Iowa, Minnesota, Nevada, Ohio, and South Carolina (Greenville; reach into NC.)

Wesleyan University analysis of Kantar/CMAG data, 5/11/20 – 6/28/20; Published 7/02/20

	<u>Biden</u>	<u>Trump</u>
TV Impressions	395 million	789 million
National Linear	26.2%	63.0%
Local	69.7%	33.5%
Other	4.1%	3.5%
Total	100%	100%

Digiday, 6/20/20; Analysis of iSpot Data since March 1st

PRESIDENTIAL RACE: DIGITAL SPENDING



Trump's Digital spending lead is smaller

- Since January 2019, Trump has spent nearly twice as much on digital advertising as Biden.
- However, the gap between the two has narrowed since Bernie Sanders dropped from the race, with Biden spending nearly \$18 million and Trump just over \$23 million.
- Spending by the two candidates' super PACs online has been minimal in the general election phase so far.

	<u>Spending (\$MM) Since January 2019</u>			<u>Spending (\$ MM) Since May 2020</u>		
	<u>Facebook</u>	<u>Google</u>	<u>Total</u>	<u>Facebook</u>	<u>Google</u>	<u>Total</u>
Biden	\$24.1	\$14.0	\$38.1	\$10.7	\$7.0	\$17.7
Trump	\$49.3	\$29.6	\$78.9	\$14.0	\$9.3	\$23.3

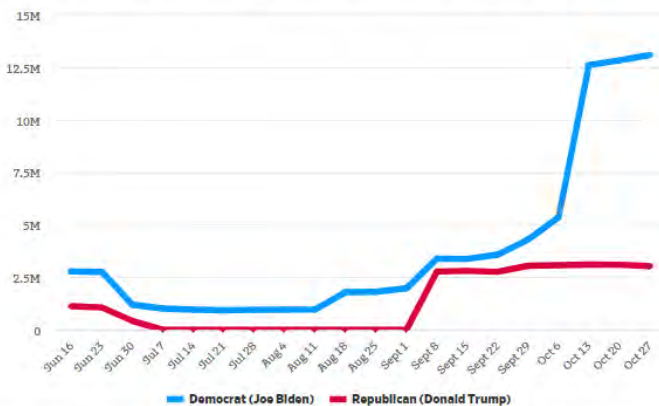
Wesleyan University analysis of Kantar/CMAG data; 7/20/20

BOOKED TV SPENDING



The battle for the presidency

Booked spending—\$103 million—from June 16 through Election Day



Source: Spending from Kantar/CMAG. Total booked presidential election spending from June 11, 2020, through Election Day, including advance bookings as of June 11, 2020. Figures exclude digital spending.

Trump reported to be spending an additional \$95 million in the key states of Arizona, Florida, Ohio, Wisconsin, Pennsylvania and North Carolina ([CNBC; 6/29/20](#)).

The Senate Leadership Fund, is booking more than \$67 million for TV ads this fall in core battleground states: Arizona, Colorado, Iowa, Kentucky, Maine and North Carolina ([Politico, 3/23/20](#).)

Anecdotally, there may be as much as \$240 million more to spend in 8-9 states: AZ, NC, Kansas, Colorado, Maine, Alabama, Kentucky, GA, Michigan

[Adage; 6/16/20](#).

FOURTEEN MARKETS EXPECTED TO EXCEED \$100M



Florida and North Carolina should each have two markets exceeding \$100 million in revenue

Phoenix, Philadelphia, and Atlanta expected to exceed \$150 million



Source: Advertising Analytics; May 2020

POLITICAL AD IMPACT: FACTORS TO CONSIDER



Political ad spending will offset a portion of the developing impact that the coronavirus pandemic and the cautious economic outlook will have on the advertising marketplace.

➡➡ However, unspent April and May money has created a surplus going into the fall

➡➡ States to watch include those in:
Wesleyan Report: AL, AZ, FL, GA, IA, MI, MN, NC, PA, SC, WI
Presidential Battleground: Above plus ME, NE, NV, NH, OH, TX
Senate, House and Gubernatorial Races: Most of above plus CA, CO, MT, IL, KS, NM, NY, OK, VA

↔↔ The 2020 US Senate map aligns less with likely Presidential swing states compared to 2012 and 2016

- Fewer markets with race-stacking that causes the highest inventory demand
- Fewer markets with multiple highly competitive races = less displacement overall
- Political spending will be more spread across the country

↔↔ In 2020, there will only be 11 Gubernatorial races vs. 36 races in 2018; reducing potential inventory demand

Factors that may be

Limiting Avals.



Increasing Avals.





THANK YOU