

Q1 2026 Marketplace Outlook

December 16, 2025

Key Factors to be aware of in the Q1 Marketplace

1

Big sporting events in Q1 – Olympics, Super Bowl, start of March Madness (advertising availability across channels)

2

Marketplace bracing for **mid-term elections**; will have the biggest effect on linear and audio in affected local markets

3

Nielsen measurement shift to **Big Data + Panel** to battle viewership under-representation

4

CTV and YouTube continue to grow:

- CTV rates remain steady and AI creative more prevalent in YouTube
- Both channels showing an increase in Sports opportunities/coverage
- CTV expected to reach ad spend parity with Linear in 2028

5

Expect **Social Media CPMs** to ease coming out of holiday pressure

6

Exploration of other channels:

- **Print** shows renewed interest and slight growth
- **OOH** improves measurement
- **Programmatic Audio** will hit \$2B in ad spend next year

7

All eyes on possible **Netflix merger with Warner Bros Discovery**: end of streaming wars?

Nielsen's Methodology Change to Big Data + Panel – effective December 29, 2025



Situation:

- For years, Nielsen relied on a panel of people meter devices in 42,000 Households to represent about 125 million TV Households in the U.S.
- Competition arose that relied primarily on "big data" available from cable MVPD set-top boxes (STB) and connected TV automatic content recognition (ACR) software
- Nielsen developed a product that combines both Panel and Big data to help alleviate the concerns around under-representation of both methodologies



Effect:

- Response Rate:
 - % of viewers who respond (website visit, call, app download, etc.) after being exposed to an ad against # of impressions served.
 - If impressions are higher with the new methodology, response rates will be lower – and vice versa.
- CPMs
 - CPMs can appear higher (or lower) than historical figures
- Data Delivery:
 - Big Data Viewership data arrives a day later than just panel data



Top-level Findings:

- Food Network, ESPN, CNN, and HGTV saw the biggest gains
- Both Univision and Telemundo also saw double digit gains - indicating that Big Data better captures Hispanic viewers
- All broadcast networks saw audience increases ranging from a low of 2.22% (ME TV) to a high of 9.66% (FOX)
- Only two of the top 20 networks saw their audiences decline with the new methodology: MSNBC (5.23%) and ION (2.35%)
- Several Kids networks saw gains, indicating that Big Data also better captures co-viewing
- The largest gainers are small networks indicating the new methodology is better suited for an increasingly fragmented video landscape

2025 Media Trends Summary



Categories & Advertisers

Financial/Insurance, Local Service & Pharmaceuticals categories lead in offline spend, with Shopping & Consumer Packaged Goods yielding the highest online spend in 2025.

While the number of advertisers in offline media continues to slowly decline, Linear TV advertisers are +2% YOY. Despite the number of advertisers being -5% YOY; online spending continues to increase.



CPMs & Response Rates

Linear TV CPMs are +3% YOY; while Online CPMs +4% driven by Instagram seeing the largest increase, +11% YOY.

Linear TV response rate has been on an upward trajectory since July with November landing +38% YOY.



Channel Level Insights

Linear TV spending down 9% YOY skewed by the Olympics & Political spending in 2024. Cost per spot for TV is -9% YOY despite an increase in spending against longer lengths.

Facebook & Instagram had the highest spends across online channels in 2025, while OTT spend is growing (+15% YoY).

2025 Offline Spend down 9% YOY; Financial, Local Services and Pharma remain Top Spenders

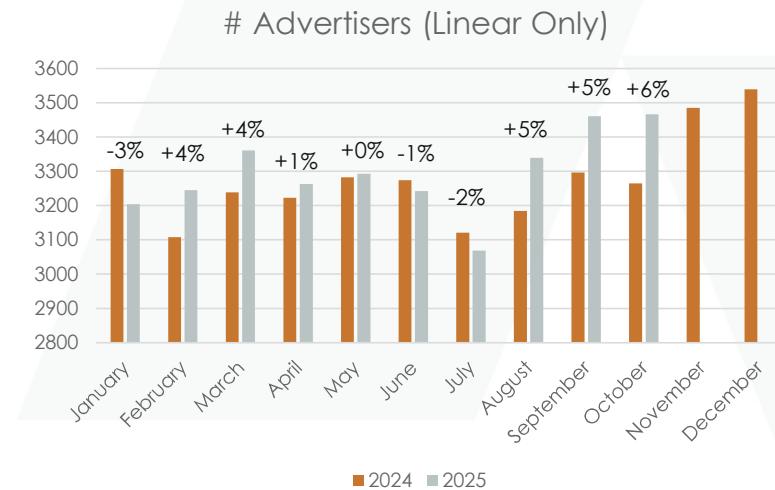
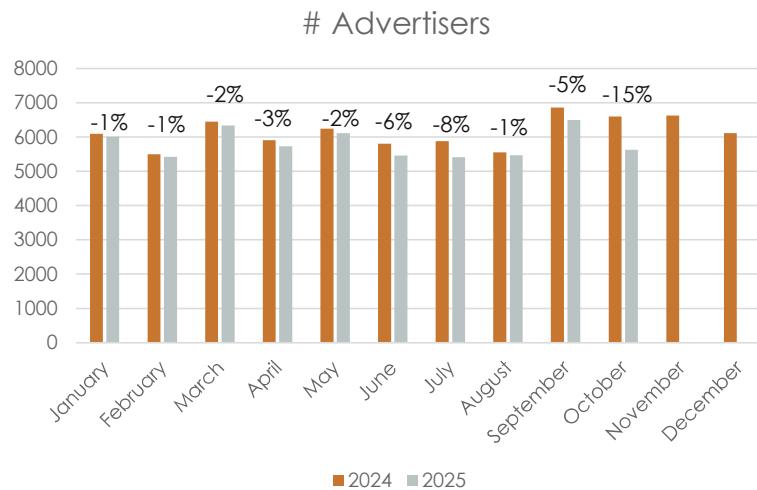
INDUSTRY GROUP	1Q '24	1Q '25	1Q '24 vs 1Q '25	2Q '24	2Q '25	2Q '24 vs 2Q '25	3Q '24	3Q '25	3Q '24 vs 3Q '25	Jan - Oct '24	Jan - Oct '25	Jan - Oct '24 vs '25	% Spend YTD
Financial and Insurance	\$2,041,232	\$2,182,443	7%	\$1,601,719	\$1,727,609	8%	\$1,826,206	\$1,706,563	-7%	\$6,260,201	\$6,430,297	3%	11%
Local Services	\$1,736,515	\$1,892,013	9%	\$1,654,454	\$1,745,473	6%	\$1,715,515	\$1,994,423	16%	\$5,675,062	\$6,272,183	11%	11%
Pharmaceuticals	\$1,758,270	\$1,784,682	2%	\$1,587,993	\$1,674,517	5%	\$1,537,293	\$1,499,697	-2%	\$5,411,027	\$5,512,377	2%	10%
Retail	\$1,309,540	\$1,368,045	4%	\$1,328,439	\$1,416,163	7%	\$1,484,636	\$1,401,086	-6%	\$4,649,255	\$4,711,255	1%	8%
Automotive	\$1,422,026	\$1,434,621	1%	\$1,204,845	\$1,172,831	-3%	\$1,354,031	\$1,274,533	-6%	\$4,436,703	\$4,349,564	-2%	8%
Restaurants	\$1,151,977	\$1,172,355	2%	\$910,436	\$886,291	-3%	\$900,105	\$874,782	-3%	\$3,400,411	\$3,294,951	-3%	6%
Food and Beverage	\$1,146,768	\$1,091,052	-5%	\$1,013,933	\$923,205	-9%	\$1,036,175	\$840,494	-19%	\$3,592,195	\$3,172,755	-12%	6%
Telecommunications	\$1,056,246	\$1,007,070	-5%	\$797,258	\$768,117	-4%	\$939,016	\$737,926	-21%	\$3,099,426	\$2,815,851	-9%	5%
Media	\$1,016,248	\$932,735	-8%	\$865,426	\$766,247	-11%	\$958,969	\$762,590	-20%	\$3,169,841	\$2,792,852	-12%	5%
Non-Rx Remedies	\$788,639	\$696,593	-12%	\$572,125	\$580,625	1%	\$586,019	\$563,992	-4%	\$2,159,132	\$2,034,698	-6%	4%
Government and Organizations	\$912,448	\$582,566	-36%	\$831,732	\$573,364	-31%	\$2,272,341	\$613,151	-73%	\$6,105,593	\$2,023,894	-67%	4%
Travel and Tourism	\$708,174	\$697,363	-2%	\$597,408	\$583,812	-2%	\$625,954	\$466,993	-25%	\$2,086,242	\$1,940,158	-7%	3%
Personal Care Products	\$710,505	\$621,757	-12%	\$723,720	\$563,723	-22%	\$577,461	\$527,619	-9%	\$2,226,636	\$1,882,254	-15%	3%
Medical Services and Equipment	\$544,464	\$606,340	11%	\$462,519	\$490,213	6%	\$485,476	\$546,639	13%	\$1,666,020	\$1,832,878	10%	3%
HH Supplies and Cleaners	\$374,162	\$391,047	5%	\$386,480	\$415,939	8%	\$382,496	\$440,089	15%	\$1,264,130	\$1,374,912	9%	2%
Apparel	\$352,427	\$410,511	16%	\$371,123	\$322,706	-13%	\$426,981	\$382,741	-10%	\$1,341,705	\$1,266,431	-6%	2%
Games, Toys and Sporting Goods	\$347,497	\$298,692	-14%	\$214,443	\$245,763	15%	\$224,737	\$256,860	14%	\$913,003	\$896,242	-2%	2%
Miscellaneous	\$347,121	\$285,320	-18%	\$356,438	\$283,604	-20%	\$271,512	\$212,849	-22%	\$1,065,329	\$864,517	-19%	2%
HH Appliances, Furnishings and Paint	\$199,343	\$244,030	22%	\$253,328	\$255,395	1%	\$257,777	\$207,459	-20%	\$808,928	\$784,010	-3%	1%
Pets	\$229,772	\$224,244	-2%	\$283,080	\$204,463	-28%	\$235,751	\$200,400	-15%	\$819,098	\$702,982	-14%	1%
Electronics	\$284,804	\$288,083	1%	\$156,731	\$171,295	9%	\$196,882	\$117,445	-40%	\$707,228	\$657,769	-7%	1%
Education	\$144,056	\$165,553	15%	\$129,483	\$142,449	10%	\$146,967	\$145,171	-1%	\$467,121	\$502,085	7%	1%
HH Building Materials and Fixtures	\$103,384	\$102,149	-1%	\$135,293	\$129,673	-4%	\$128,898	\$116,131	-10%	\$422,532	\$391,776	-7%	1%
Office Equipment and Manufacturing	\$67,539	\$53,194	-21%	\$56,799	\$44,463	-22%	\$58,611	\$39,565	-32%	\$204,548	\$150,544	-26%	0%
Energy	\$8,413	\$8,311	-1%	\$19,588	\$8,514	-57%	\$18,473	\$11,806	-36%	\$51,008	\$35,267	-31%	0%
GRAND TOTAL	\$18,761,571	\$18,540,768	-1%	\$16,514,793	\$16,096,454	-3%	\$18,648,282	\$15,941,006	-15%	\$62,002,377	\$56,692,504	-9%	100%

Source: MediaRadar (formerly Vivvix/Kantar), Spend in (000s)

Offline includes: TV, Radio & Print

Date Range: January 2024– October 2025

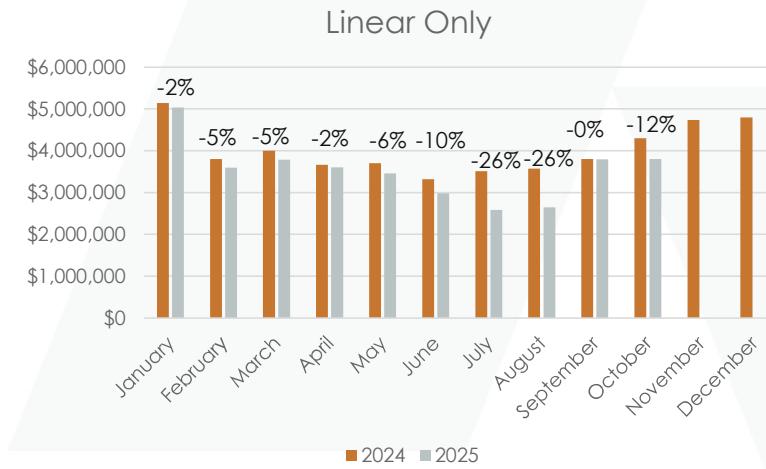
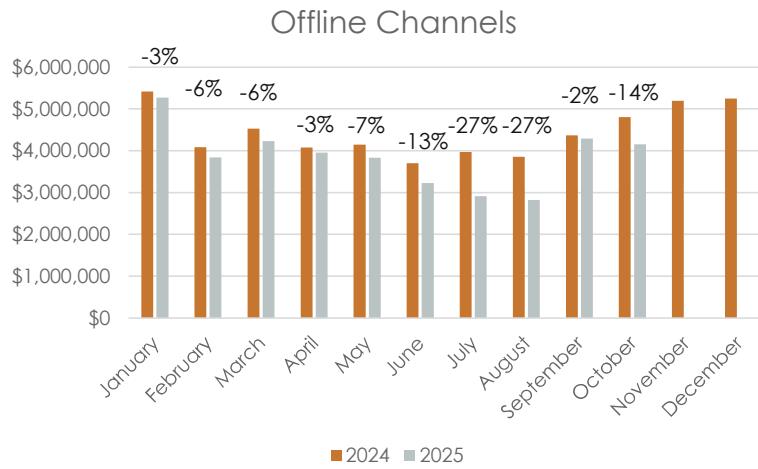
of Monthly Advertisers across Offline Channels is -5% YoY; Linear TV up +2% YOY



- New advertisers in 2025 include Royal Kingdom, Galderma, Bridgebio Pharma, United Negro College Fund, OpenAI

Source: Media Radar (Formerly Vivvix/Kantar)
 Offline includes: TV, Radio & Print
 Date Range: January 2024 – October 2025

Offline Ad Spend -10% YOY; Linear TV Spend down -9% YOY



- July/August 2025 spend decline skewed from Summer 2024 Olympics; October skewed from 2024 Election
- Abbvie and Progressive continue to have top ad spend in market, with spend remaining flat YOY.
- Top 10 advertisers in 2024 seeing decreased spending in 2025 include Verizon, Geico, GlaxoSmithKline.

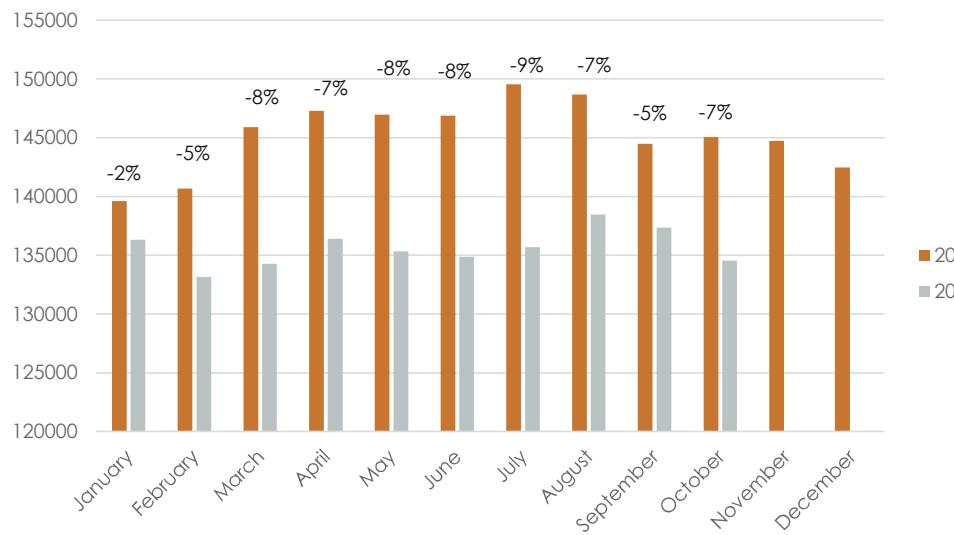
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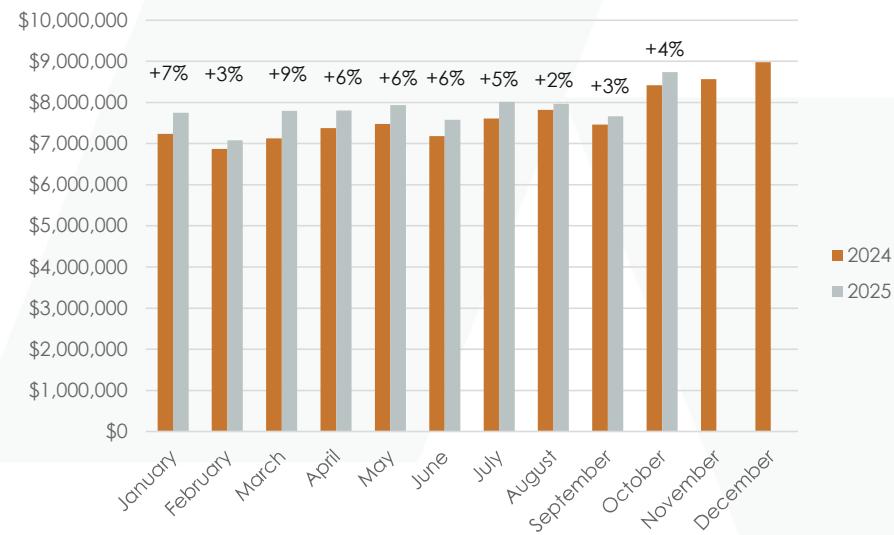
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With Fewer Advertisers in Market, Online Spend Continues to Increase

Online Advertiser Count



Online Advertiser Spend



- Number of online advertisers down average 7% YOY with flat MOM growth
- Online advertising spend up 6% YOY July seeing highest spend YTD

Source: Pathmatics, Spend in (000s)

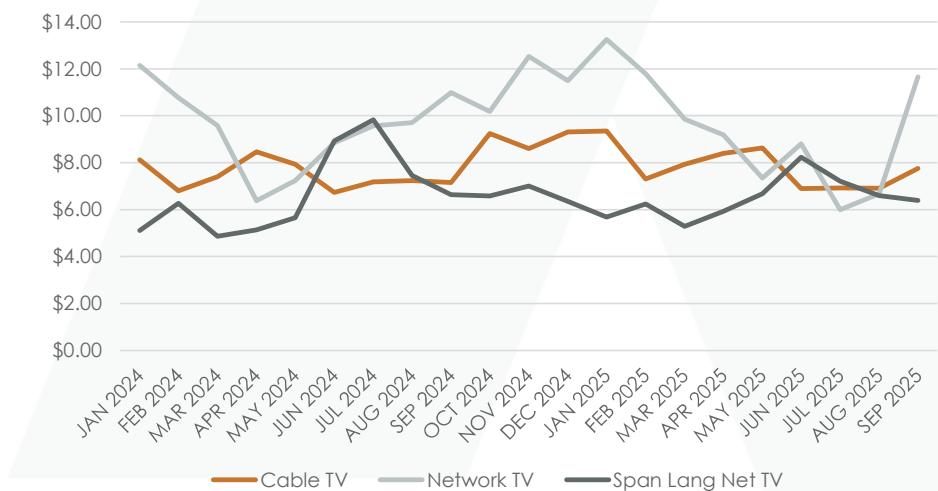
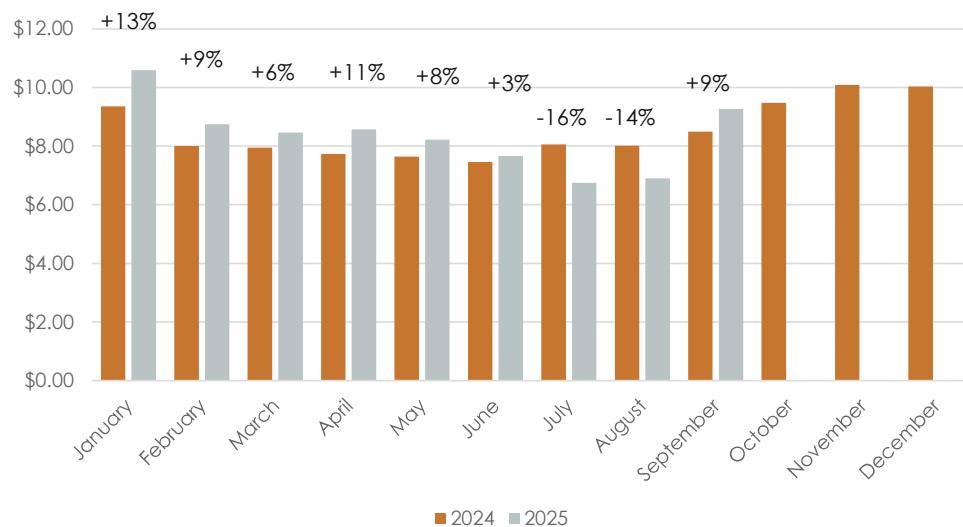
Online includes: Facebook, Instagram, TikTok, Snapchat, X/Twitter, OTT, YouTube, Desktop Video, Desktop Display & Mobile Display

Date Range: January 2024 – October 2025

LINEAR TV: CPMs BY MONTH

P18+ CPMs +3% higher YOY; September CPMs increased 34% Driven Primarily by Network

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Outlet Type	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUN 2024	JUL 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUN 2025	JUL 2025	AUG 2025	SEP 2025	Grand Total
Cable TV	\$8.12	\$6.81	\$7.42	\$8.47	\$7.95	\$6.75	\$7.19	\$7.23	\$7.16	\$9.25	\$8.61	\$9.35	\$9.38	\$7.34	\$7.97	\$8.45	\$8.67	\$6.97	\$6.99	\$6.97	\$7.81	\$7.86
Network TV	\$12.18	\$10.80	\$9.65	\$6.43	\$7.29	\$8.87	\$9.60	\$9.71	\$10.99	\$10.19	\$12.60	\$11.58	\$13.39	\$11.87	\$9.96	\$9.30	\$7.53	\$9.00	\$6.15	\$6.81	\$11.72	\$10.03
Span Lang Net	\$5.16	\$6.31	\$4.90	\$5.15	\$5.65	\$8.92	\$9.84	\$7.45	\$6.64	\$6.58	\$7.00	\$6.35	\$5.68	\$6.29	\$5.31	\$5.94	\$6.70	\$8.32	\$7.26	\$6.67	\$6.44	\$6.54
Grand Total	\$9.35	\$8.00	\$7.95	\$7.73	\$7.64	\$7.46	\$8.05	\$8.01	\$8.49	\$9.47	\$10.09	\$10.03	\$10.59	\$8.74	\$8.45	\$8.57	\$8.22	\$7.66	\$6.74	\$6.90	\$9.27	\$8.50

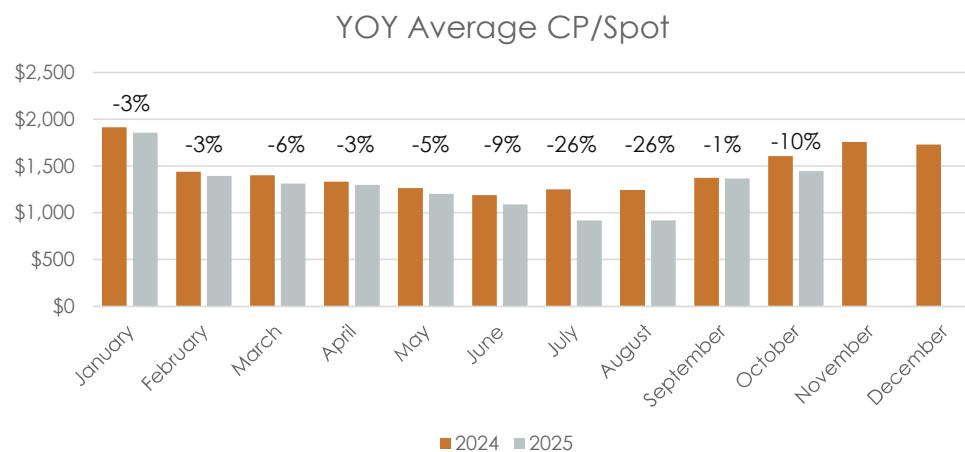
Source: MediaRadar (Formerly Vivvix/Kantar)
Date Range: January 2024 – September 2025

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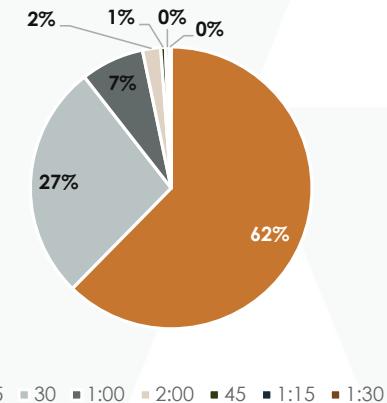
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LINEAR TV: COST PER SPOT & AD LENGTHS

Avg. CP/Spot for Linear TV is -9% YoY



% Units YTD 2025 by Length

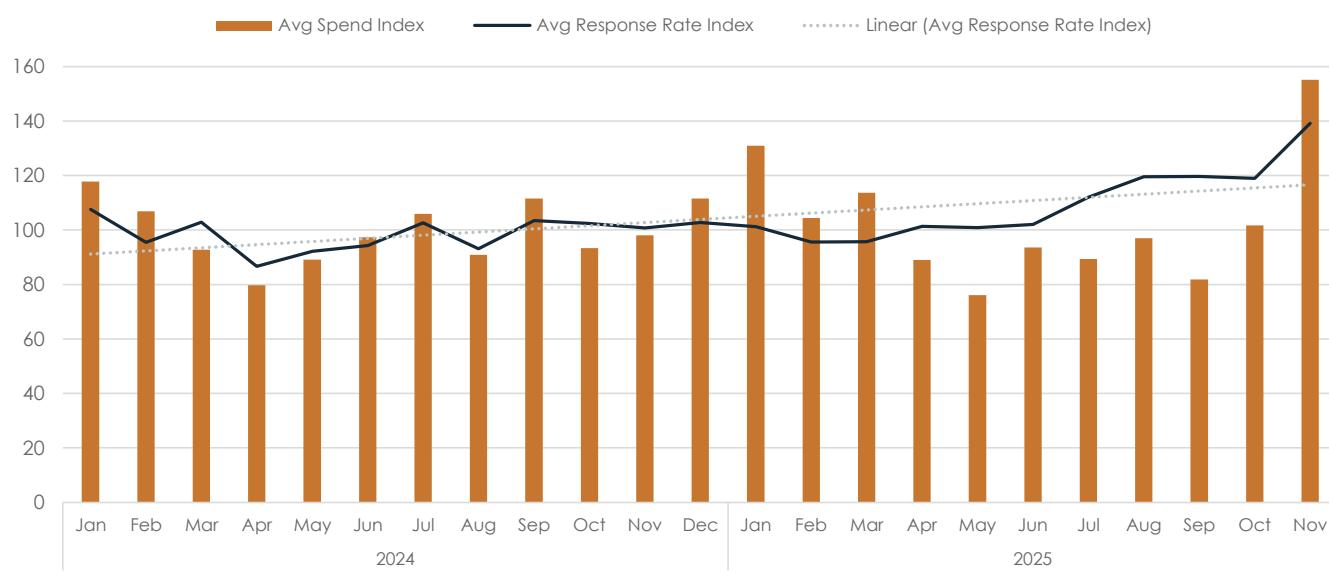


- :15s make up 62% of units in market YTD, which is flat YOY
- Spend in longer lengths increasing YOY.
- 1:15 spend driven primarily by Pharma
- :45 Spend driven by Pharma but includes other categories (Electronics, Media, Restaurants)

Length	2024	2025	YOY Variance
30	\$17,079,268,608	\$14,680,998,632	-14%
15	\$14,337,541,327	\$13,121,504,880	-8%
1:00	\$5,238,731,588	\$4,530,978,019	-14%
2:00	\$1,135,637,318	\$1,096,722,881	-3%
1:15	\$118,959,795	\$519,689,620	337%
45	\$231,117,349	\$453,710,006	96%
1:30	\$461,647,151	\$426,349,588	-8%

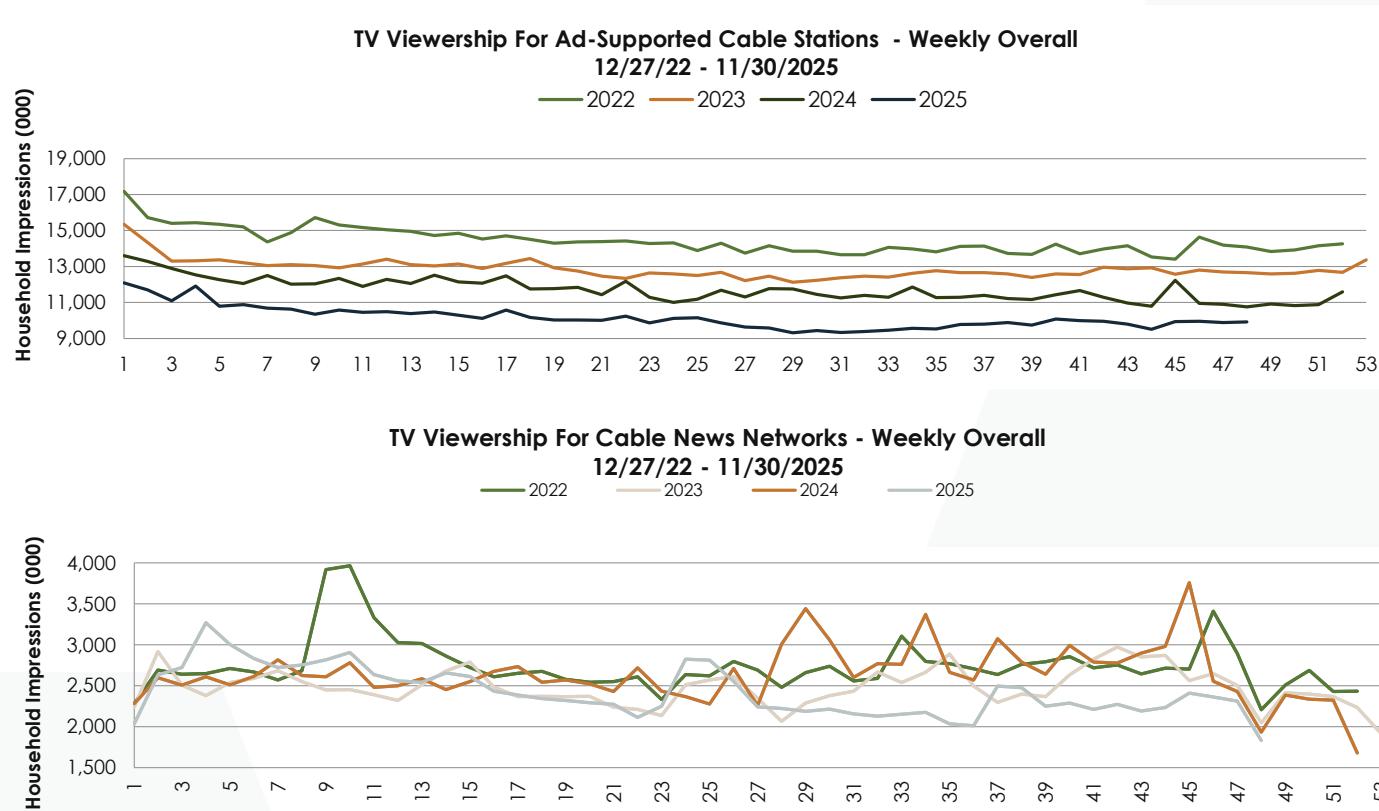
Source: MediaRadar (Formerly Vivvix/Kantar)
Date Range: January 2024 – October 2025

November 2025: Response Rate Index continues to trend higher, +38% YOY



- Compared to prior month (vs. October 2025), November's Response Rate Index increased 17%, and the Average Spend Index is up 53% MoM due to Medicare & Holiday advertisers
- Compared to LY, November 2025 reported a 58% increase in Average Spend Index at 98 vs. 155 index
- Response Rate Index is 38% higher YoY, up from 101 avg index to 139 in November 2025

-14% YoY Decline in HHLD TV Viewership in 2025 for Ad-Supported Cable Stations



- So far in 2025, overall cable household viewership is down 14% YoY
- Cable news viewership down an average 10% YTD, but has seen weeks of high viewership spikes
 - January 2025 surrounding Presidential Inauguration.
 - Summer spike around Juneteenth (Weeks 24-25).
 - September spike (Week 37) around Charlie Kirk assassination.

Source: Nielsen

Date Range: January 2022 – August 2025

2025 Macro Economic Trends Summary



Consumer Confidence

Consumer sentiment has been trending steadily downward over the past several months. Since June–July 2025, the index has slid from roughly 60–62 into the low 50s, indicating **a clear deterioration in sentiment through the back half of the year**. November's level is described as near some of the lowest points on record, reinforcing that **consumers are pessimistic heading into year-end**.



Government Shutdown

The 43-day shutdown reduced consumer spending, particularly among furloughed federal workers (around 700,000), hurting retail and tourism with estimated losses of \$7–14 billion. Post-shutdown recovery was modest and uneven across demographics, suggesting sentiment improvements may not reverse consumer caution in Q4.



Tariffs & Inflation

Tariffs and inflation will pressure consumer spending in 2026. Inflation and stagnant wages will likely reduce discretionary spending; consumers are expected to prioritize savings.

Over a third (35%) of US adults will spend less overall in holiday shopping this year due to tariffs/price increases, per an August 2025 survey from Radial and Dynata.



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