



Maximize media spend in an election year

3 tips to amplify your 2024 advertising spend.





Introduction

Does it feel like the sprint to the finish of 2024 has already begun?

Between the Presidential election, hotly contested runs between down-ballot candidates, and even issue-oriented political advertising, your media budgets are going to be stretched to the breaking point. Why? Because ad spending for these events is projected to set new records.

To help healthcare marketers solve this challenge, we solicited the opinions of a few experts from our healthcare marketing solutions strategy and consulting team, WebMD Ignite Activation. They shared their insights from decades of experience in both traditional media and digital marketing, and provided a few pointers about how you can cut through the noise and continue to get your all-important messaging not only out there, but noticed.

CHALLENGE

There will be more than \$17B in political ad spending this year

According to a GroupM forecast report, political ad spending is expected to reach over \$17 billion this year.¹ This may sound higher than other estimates you've seen, but it takes into account a number of channels other surveys don't, e.g., direct mail and digital-out-of-home (DOOH), and includes political action committee and advocacy group spending as well. This influx of cash is going to drive up the cost to reach consumers and crimp a lot of budgets, almost certainly including yours. So how do you deal with this surge in rates while maintaining a strong voice in your market(s)?



¹ The Guardian. Record \$15.9bn in US political ad spending expected for 2024.
<https://www.theguardian.com/us-news/2023/dec/08/2024-election-ad-spending-record>

TIP #1

Find your audience with more specific channels and tactics

Take a really hard look at where your audiences live, and when you need to reach them. For healthcare marketers, this can start by targeting those who are embarking on a specific healthcare journey — those with real needs — versus a broad demographic. “While it might seem counterintuitive to pay for targeted media when prices are high, a good way to do it is to focus on programmatic targeting for digital audiences and using endemic media, or ads placed alongside premium and sponsored content on contextually relevant, robust, high-quality publisher websites,” says Lindsey Weissenbach, MSM, Manager, Programmatic Strategy and Technology at WebMD Ignite.

“These are a great option, as these ads contextually align with the content and sites they’re placed on, and help you reach the people most likely to be interested in your services,” Weissenbach added. By speaking directly to hand-raisers, programmatic can offer efficient ad buying with the ability to make real-time adjustments, while endemic advertising can result in increased ad relevance and higher conversion rates.



Endemic advertising refers to contextually relevant ads placed where it is native or natural to its market. An ad for a car dealer on WebMD.com would be considered non-endemic.

In terms of reaching your audience, data and technology are your allies. Use market and patient-specific data, especially if you have a healthcare CRM with risk-modeling capabilities. Consumer demand models help you target just the relevant individuals— avoiding wasteful spending in an expensive media environment. Armed with specific audience targeting information, you can create an integrated campaign, one that includes direct mail and email. Designed with specific health consumer pathways in mind, precise targeting and segmented messaging helps you maximize your ROI potential.

“Everyone tends to concentrate on acquisition, but remember the importance of retention,” suggests Nora Simmons, Executive Director, Strategic Consulting & Marketing at WebMD Ignite. Maintain regular communications with existing or former health consumers. By providing relevant content, resources, and reminders, you foster an ongoing relationship that generates the highest possible consumer lifetime value.

“Another key audience tactic, while consumers are being over-saturated with messaging, is to pursue advertising efforts targeted at physicians and other healthcare providers that strongly influence consumers’ healthcare decisions,” says

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Simmons. “This may prove to have a stronger ROI.” Up your outreach and engagement with the healthcare providers, specialists, and employer groups that are most influential to your brand and core services. Work with your analysts to examine current market and provider trends to create hyper-targeted outreach. Relative to costs to target consumers, reaching providers should be far less impacted (if at all) by excess political spending.

Another tactic is to think both inside and outside. Inside, one of the best (and least expensive) places to advertise is within the four walls of your organization. Use videos and custom messaging at bedside, in your waiting areas, or anywhere that’s appropriate to this captive audience. Outside, strengthen your commitment to community through engagement, education, and content marketing. These can be effective ways to generate traffic and positively influence perception of your brand.

CHALLENGE

Media prices are up, up, up

According to Reuters, the lion's share (almost 72%) of political media dollars will be going to traditional media in 2024.² So it's no surprise the media that typically enables broad reach at low costs will simply be much less affordable this year than usual.

"If you haven't already pulled your dollars away from traditional channels, do it now," says Matt Klein, MBA, VP, Marketing Solutions Strategy & Consulting at WebMD Ignite. "And if you're still considering advertising on broadcast or radio, you'll have to be highly selective."

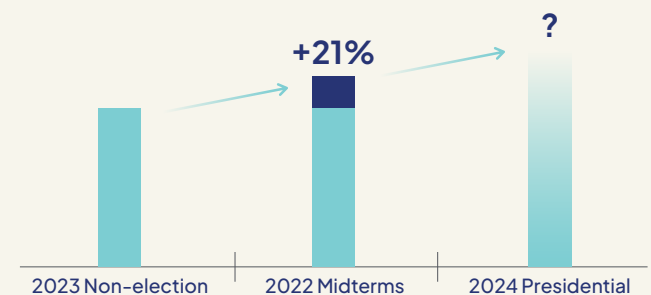
But even with digital, expect a spillover effect from all those incremental ad dollars. Although traditional media will be a top destination for political ads, digital channels are expected to see a spike of 156% from the previous election year.³

To gauge just how expensive the digital environment might get, we took a look back at the cost per lead (CPL) during the midterm congressional election of 2022. Since Florida has historically had tight electoral margins⁴ and significant political spending, we chose to zoom in on clients with target audiences in these markets. When comparing the average CPL in 2022 to 2023 (a non-election year), search, social, and display media costs were 21% higher in 2022 (a truly significant amount), simply because of the elections. And this was just for midterms. You can bet your media budget that number will be even higher in 2024 for advertisers who don't adapt their planning in creative ways.



Election year impact on digital CPL is significant

2024 CPLs are likely to be much higher than 2023



*Source: 2023-2023 WebMD Ignite Florida client average annual CPL

^{2, 3} Reuters, US political ad spending to soar in 2024 with TV media the biggest winner – report, <https://www.reuters.com/world/us/us-political-ad-spending-soar-2024-with-tv-media-biggest-winner-report-2024-01-11/>

⁴ USAFacts. What are the current swing states, and how have they changed over time? <https://usafacts.org/articles/what-are-the-current-swing-states-and-how-have-they-changed-over-time/>

TIP #2

Shop around, and leverage media and digital sites that just say no

So what can you do to minimize the impact of higher rates? Start by searching for those media outlets that don't accept political advertising.

In addition to the cost benefits, brands must also carefully navigate politics to avoid being associated with divisive political content, which can be challenging during the heightened political atmosphere of an election. Women's health issues (reproductive rights) and Medicare are just two issues that may become lightning rods with unintended consequences for healthcare marketers. While it may be tempting to wade into the conversation, 70% of US adults feel that brands should limit or completely restrict their involvement with political issues.⁵

Digital platforms and cable networks don't have the same rules as broadcast stations, which are required by law to accept ads from any legally qualified candidate.⁶ Since they have a choice, that means you do, too.

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⁵ eMarketer InsiderIntelligence. What Values-Driven Consumers Really Want: Brands Should Skip the Gimmicks and Focus on Authenticity. <https://www.insiderintelligence.com/content/spotlight-what-values-driven-consumers-really-want>

⁶ Kare11, Here's why TV stations can't censor or refuse political ads, <https://www.kare11.com/article/news/politics/elections/tv-stations-cant-censor-refuse-political-ads/89-alfdabde-5593-4dd0-8135-289fa7ea8ebf>

Seek out outlets that don't make changes to their rate card during an election year

"The good news is that there are many websites, mobile apps, and channels that are focused on consumers and healthcare professionals — but limit or exclude political ads, messaging, and editorial content, like WebMD," adds Klein. Not only may that be more appropriate for your target audience and messaging, but their exclusion of political ads should mean they'll be charging only their standard rates.

So seek out outlets that don't make changes to their rate card during an election year or when other unusual media events take place. It is possible to avoid the political mudslinging, find your customers in a contextually relevant moment, and not have to pay extra for the privilege. With a little digging, they might be easier to find than you think.



Traditional media can be tricky in times of high demand. When ads are paid for by third-party groups, TV stations, for example, have more control and can charge higher advertising rates for those commercials. As seen in one market, commercial advertising during the game show "Jeopardy" varied greatly depending on who was paying for the ads. According to FCC filings, one political group paid \$400 per 30-second spot while another paid three times as much, just to get in front of the same group of viewers.¹⁰

¹⁰ Marketplace. How much did that political ad cost? It depends on who's paying for it.
<https://www.marketplace.org/2023/09/21/how-much-did-that-political-ad-cost-it-depends-on-whos-paying-for-it/>

CHALLENGE

The fourth quarter will be a “perfect storm” of ad spending

Election year or not, one thing does remain the same: Advertising spending is all about timing. It's just that this year, you may need to be more flexible than usual.

Fourth quarter is traditionally competitive, but this year is expected to be massive in terms of ad spend, with what some media buyers are coining the “Q4 Armageddon.” Across all industries, marketers are vying to squeeze every last drop out of their marketing budgets before the end of the year. Spending events such as Black Friday, Cyber Monday, and the overall holiday season are annual impacts. But this year, with the Presidential election and Medicare's annual open enrollment period (which takes place October 15 through December 7), these huge spending waves are all cresting at the same time. It's no surprise that some media outlets may be taking advantage of the massive spike in advertising demand, and raising rates accordingly.

In speaking with a number of media partners, some shared that they are seeing an unprecedented rate spike. Buyers are already booking and securing Q4 avails, earlier than ever before, and paying rates 65% higher year over year, if not more.

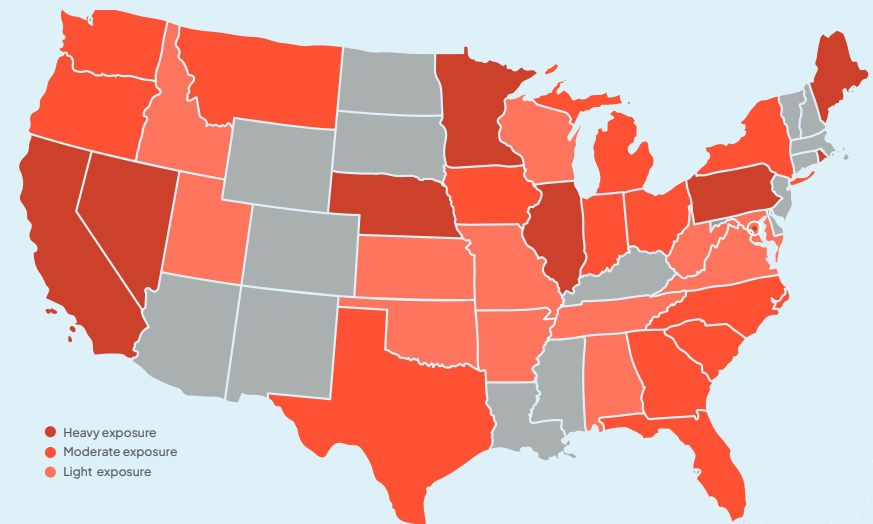


TIP #3

Time the market right by looking at your local and state calendars

“Consider the county, district, and state in which your audience resides,” says Lindsey Weissenbach, MSM, Manager, Programmatic Strategy and Technology at WebMD Ignite. “Are they in a swing state (or states), or high-stakes market? If so, you may have to be extra nimble with every dollar, particularly during certain times of the year.”

With this expected to be a record year on political ad spend, projections show that the area to see the most activity is by down-ballot candidates, at \$3.3 billion.⁷ So starting at the state level, we took a look nationwide to see what drivers or exceptions may account for larger stakes when compared to the 2020 election year. What we found is that 33 states and the District of Columbia are expected to see a disproportionate impact in 2024. Within this, 12 states appear to have a moderately higher exposure, 16 significantly higher, and six dramatically higher.



It's also true that people get so fatigued by election advertising, they stop paying attention. We expect this year to be no different. Use it as an advantage and block out controversial programming and the debates by considering channels and tactics where you can have a bigger impact, with a narrower— and much more positive — focus.

⁷ Chicago Booth Review. How All Those Political Ads Affect Commercial Advertising. <https://www.chicagobooth.edu/review/how-all-those-political-ads-affect-commercial-advertising>

For example, Virginia appears to have similar races and landscape to the 2020 elections, so we anticipate spending impact will be light, although still impacted by record spending levels. Pennsylvania, on the other hand, had no senate races in 2020. The presidential race appears to be a toss-up there and heavy spending on congressional campaigns is expected with the seventh, eighth, and seventeenth congressional districts, since all are National Republican Congressional Committee (NRCC) and Democratic Congressional Campaign Committee (DCCC) targets. This translates to your non-political ads joining the fight for ad placement and a possible bidding war. And even if your target audience doesn't reside in a state where we expect to see a moderate-to-dramatic impact on media costs, if you are actively marketing across state lines, even if only 10 miles on either side of a border, this could definitely change the picture for your campaign.

Because hospitals and healthcare providers mostly advertise locally, they are one of the categories that get crowded out of advertising space the most by political candidates.⁷ So, how can you mitigate the impact? Consider the calendar of local elections and statewide primaries. For example, March is a particularly hot time for statewide primaries with "Super Tuesday" and its 874 delegates up for grabs.⁸ And although dates are subject to change by legislative action, June and August are looking to be the busiest months for state primaries.⁹ Bottom line: Be aware of when your market is on the schedule, and make adjustments to avoid these high-traffic times.

7 Chicago Booth Review. How All Those Political Ads Affect Commercial Advertising. <https://www.chicagobooth.edu/review/how-all-those-political-ads-affect-commercial-advertising>

8 NBC News. 2024 Primary Elections Calendar. <https://www.nbcnews.com/politics/2024-primary-elections/calendar>

9 Federal Voting Assistance Program. Primary Elections by state and territory. <https://www.fvap.gov/guide/appendix/state-elections> National Conference of State Legislators. 2024 State Primary Election Dates. <https://www.ncsl.org/elections-and-campaigns/2024-state-primary-election-dates>

Presidential and state primary timing



A final thought

However you choose to pivot this year, one thing remains clear: it's never good to go dark. Remember, it's all about pacing, placement, and targeting. It's how you'll keep your lines of communication open in your market, get your messaging noticed by the people that need to see it, and reap the ROI your organization so richly deserves — especially in an election year unlike any other.



WebMD Ignite is the growth partner for healthcare organizations, helping guide people to better health from Discovery to Recovery. We use our industry expertise to engage individuals through seamless experiences that optimize outcomes, drive loyalty, and build lifetime value. Learn more at webmdignite.com