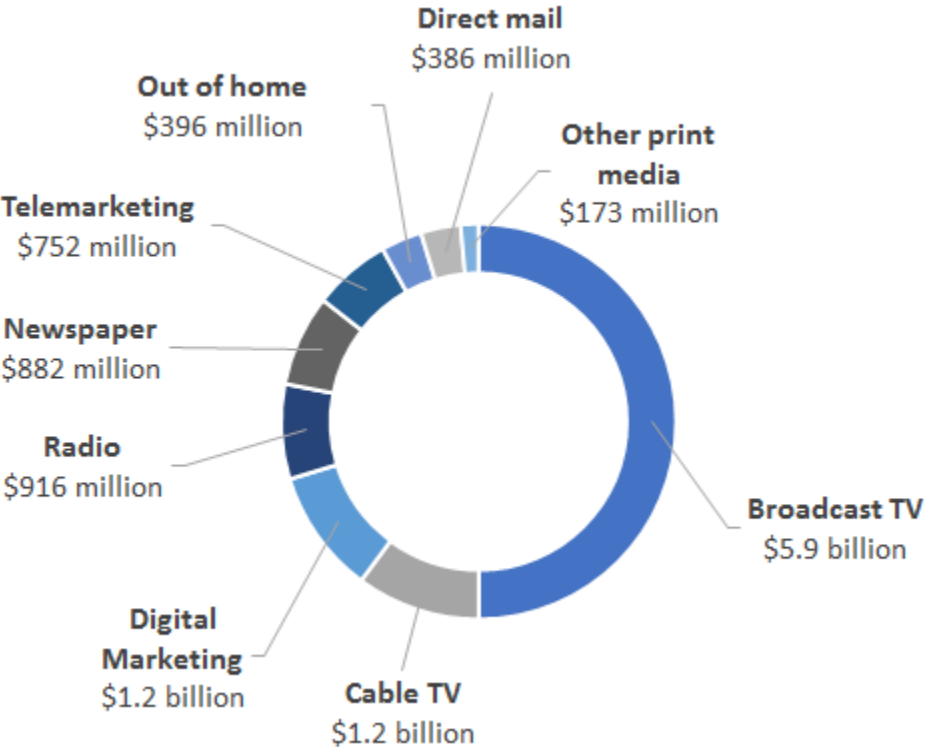


Feeling Crowded Out by Political Ads? Marketing During Election Season

Elections can be highly disruptive to any company’s advertising schedule, especially if you lean heavily on TV or radio. 2018’s midterm elections are on track to equal if not exceed the outrageous spending and media extravaganza that 2016’s did, and marketers are expecting a significant impact on their media schedules. With the influx of campaign ads in recent and upcoming months, credit union marketers can expect higher rates, greater competition for branded spots and even having their schedules disrupted or bumped out of peak periods.

The conventional advice is for marketers to get in early (at least two months before November) or get out. Many credit unions should consider alternatives to TV and radio spending, which are the two channels campaigners spend the most money on outside of digital marketing. Compare the total political ad spend from 2016:

Total Political Ad Spend in 2016: \$11.7 Billion



Source: 2016 Borrell Associates

How political ads can disrupt your media schedule:

Increased costs: Ad slots can greatly increase in price. This is especially true of TV and radio, which can see upwards of a 200 percent increase in price if 2016's election period is any indication. As always, price relies on a number of factors such as the time of the slot, location, network, etc. Marketers should keep in mind the historical costs of those slots when coming up with an appropriate bid. As digital marketing continues to expand — and in many cases, eclipse TV and radio, many companies with strained marketing budgets are looking elsewhere for their election period marketing.

Schedule disruption: It is not uncommon for advertisers to be bumped from slots to accommodate candidates seeking public office. Candidates get significant discounts in the form of their right to “lowest unit rates,” meaning political ads can only be charged the lowest rate for any particular spot. In addition, federal political candidates also get reasonable access rights, which allow them the ability to demand access to all classes and times of advertising time that a station can offer. If this means bumping another advertiser's spot to an inferior one, many stations will gladly make their choice to accommodate a candidate.

The spillover effect: Some marketers also don't like to run ads after a political spot as they are worried about consumers associating their product or service with the campaign. This is sometimes termed the “spillover effect,” which in marketing spheres also means associating one company with another.

Seeking alternatives

Many companies decide to shift their budget away from TV and radio during these periods but are unsure of what platforms they should spend their money on. Online advertising can be a viable alternative since it is affected to a lesser degree by the election season, but it does not always have the impact and audience that advertisers are looking for. Another option may be to seek other video services that reach the same target audience. GSTV provides the same media experience to consumers but at a natural pause in their day: fueling up at the gas station. What better time to reach out to a captive audience? GSTV offers broadcast advertising at online price, and not one that will be disrupted by the upcoming campaigning season.