



## **NewFronts 2023**

Developments in Streaming, Diversity, Sports, Ads and Metrics

Updated: May 12<sup>th</sup> 2023

**Better decisions, faster.**

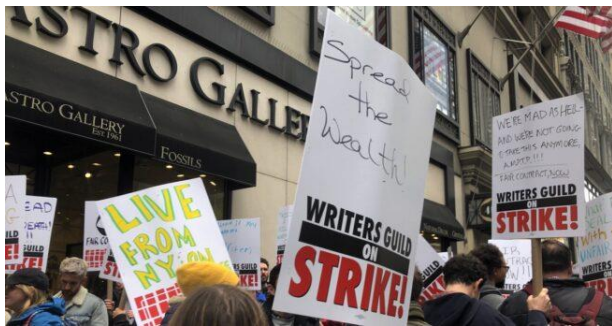


## NewFronts 2023 Unveils the Latest Emerging Trends in the Industry

### NewFronts are the “NEW” Upfronts

The [NewFronts](#) in New York City have come a long way from their inception 15 years ago. The event now rivals the importance of the traditional Upfronts as media companies seize the opportunity to showcase their digital content and advertising capabilities. They reflect the growing dominance of streaming and digital media in today's media landscape.

This year was filled with many memorable moments from various advertising partners. External to the presentations themselves, [WGA protests](#) outside of the Peacock Newfront presentation partially blocked the entrance. The Writers Guild of America is on strike due to [unresolved disputes](#) over fair compensation, working conditions, and the increasing prevalence of streaming services, drastically changing the entertainment industry landscape and affecting writers' livelihoods.



Streaming was the dominant trend noted throughout many of the week's presentations. Digital video advertising is expected to hit [\\$55 billion](#) in 2023 and [grow 17% this year](#).

The rise of FAST (Free Ad-Supported Streaming Television) channels continues, including [diverse partners](#). These channels offer a more affordable and accessible alternative to paid subscription services, attracting consumers with free ad-supported content.

Media companies are investing in exclusive content and new interfaces to differentiate their FAST channels from competitors, as evidenced by [Amazon's showcase](#) of Freevee and its exclusive content, such as "[Jury Duty](#)." Amazon claims they can now reach [155m US consumers](#).

### Focus on Gen-Z, Millennials, and Diversity

Free channels are notable as advertisers look to court Gen Z and Millennials and appeal to [users actively looking to reduce their number of active subscriptions](#).

Trends toward free, ad-supported content are not a surprise. OMG noted in our 2023 Annual Signals report that the most significant concern for Gen Z and Millennials globally is [“Rising Prices/Inflation,”](#) indicating two largely cost-conscious generations.

Revenue models are maturing. TikTok announced [TikTok Pulse](#), a revenue-sharing model that offers creators a share of the advertising revenue generated by their content.



At TikTok World 2023 this week, the [TikTok World Hub](#) has launched a mini-site housing link to creative information to help advertisers create with their platform.

Media companies increasingly partner with influencers and creators to reflect [diverse voices and perspectives](#). For Gen Z and Millennials, [accurate representation](#) is a topic where work needs to be done.

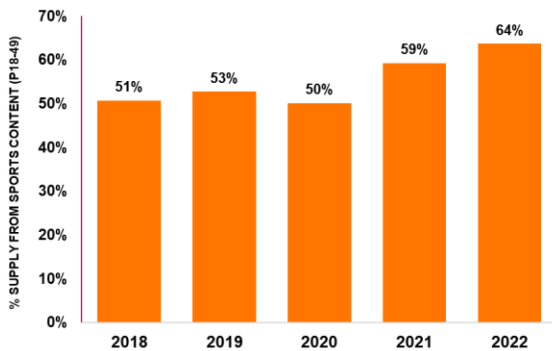
There was a growing emphasis on cultural connections, diversity, equity, and inclusion (DE&I) in the media industry. The IAB made a point to include DE&I-focused partners such as Estrella, Canela, LATV, Americano, and Revry (LGBTQ TV) during their [Wednesday event](#). This was a pilot event for the IAB, which hoped to give seldom-heard companies a chance to be seen and heard.

Using [CREO](#), Omnicom's influencer network connected with OMNI, our teams can unite influencers and diverse talent via [DCN](#) (Diverse Creators Network) to create data-driven, innovative collaborations for brands.

## Sports go digital with streaming

Sports events are increasingly transitioning to [streaming platforms](#) as linear TV viewership declines. With a growing share of consumption when compared to entertainment.

SHARE OF SPORTS CONSUMPTION GROWS COMPARED TO ENTERTAINMENT PROGRAMMING



Amazon has expanded its [partnership with the NFL](#) by introducing the "[Black Friday Game](#)" during the holiday season.

To improve the advertising experience for viewers, Amazon has launched new ad formats and custom targeting options. These new features enable advertisers to reach their target audience [more effectively](#) based on various factors such as demographics, location, and interests.

Other partners have announced sports-related updates, such as;

- Peacock, which is proactively blocking off time during live sporting events that SMB businesses can [tap into](#).
- Roku has introduced its "Discovery Experiences," which will curate sports and other content on the [home screen](#).
- Yahoo Sports recently announced they are entering the sports betting world by acquiring [Wagr](#), "which should have much potential in the fantasy sports world."

Twitch, a live-streaming platform owned by Amazon, is known for its strong esports presence and [growing viewership](#). Expanding beyond gaming to include music and other creative arts. Musician [T-Pain](#) shared his tips for building a thriving Twitch community.

## New ad formats, New Measurement

New ad formats were also presented as a rising trend, with Snapchat announcing [new ads](#) such as Spotlight Ad and First Story.

Moreover, artificial intelligence (AI) is expected to play a more significant role in the media industry in the coming years. Snapchat also presented its "My AI" advancement, while Roku announced its [Contextual AI product](#), which enables brands to run their messaging across relevant moments within Roku channels' library of shows and movies.



Measurement challenges persist as connected TV (CTV) and streaming platforms gain popularity. Traditional measurement methods are becoming less effective, and [new methods](#) are needed to measure viewership and engagement accurately.

Companies like [Amazon](#), [Peacock](#), [Roku](#), [Innovid](#), and [LG](#) presented their proprietary "clean rooms" and partnerships for better measurement solutions. Innovid, for example, [showcased](#) its use of the Disney Audience Graph for richer data and insights.

This year's NewFronts clearly illustrate the drivers of change in AV as streaming goes mainstream with innovation in influencer economies, diversity, (e)sports, ad formats, and measurement. Increasingly driving effectiveness in years to come.



**Robert Knapp**

OMD USA Managing Director, Client Investment Lead

[Robert.Knapp@omd.com](mailto:Robert.Knapp@omd.com)



**Jean-Paul Edwards**

OMD Worldwide Managing Director, Product

[jean-paul.edwards@omd.com](mailto:jean-paul.edwards@omd.com)