



AdImpact's 2022 Political Cycle-In-Review

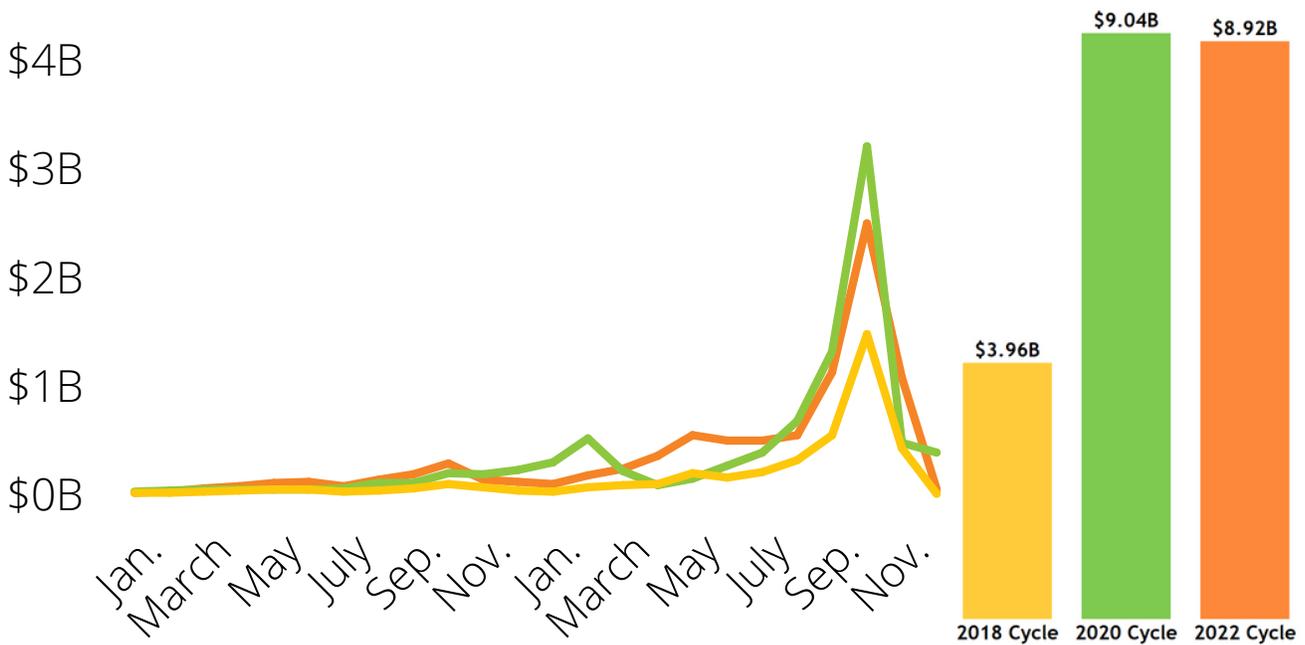
"Midterm Cycle paces with 2020 Presidential Cycle and Democrats hold a large advantage in the number of ads aired."
-Kyle Roberts, CEO AdImpact

Cycle Overview: Political Spending in 2022



2022 Spending Overview:

The 2022 political cycle was the most expensive midterm election on record with over \$8.9B spent, more than doubling the \$3.9B spent during the 2018 midterms. This year's midterm cycle spending more closely resembled that of a presidential cycle, coming just \$119M shy of 2020, the most expensive political cycle of all time. As we look ahead to 2024, these trends indicate spending battles for control of a tightly contested Congress coupled with a competitive presidential primary should push spending past the \$10.0B threshold.



CTV ACCOUNTED FOR 12% SHARE OF TOTAL POLITICAL SPENDING

Even as advertisers have started relying on new avenues to reach voters, traditional media still controls the largest share of spending. Of the \$8.9B spent on political ads this cycle, \$4.7B was on broadcast television and \$1.7B on cable, representing 73% of total spending. This trend follows 2020 where \$5.3B was spent on broadcast and \$1.6B was spent on cable, taking 76% of all cycle spending. CTV represented 12% of all spending for the 2022 political cycle coming in at \$1.08B. As more consumers cut the cord and advertisers look to utilize the targetability of digital platforms, we expect CTV expenditures to rise in the coming years.

Democrats hold a large advantage in the number of ads aired

In House, Senate, and Gubernatorial general elections in 2022, Democrat candidates and issue groups outspent their Republican counterparts by \$390M (\$2.11B D vs. \$1.72B R). However, closer examination causes further concern on the

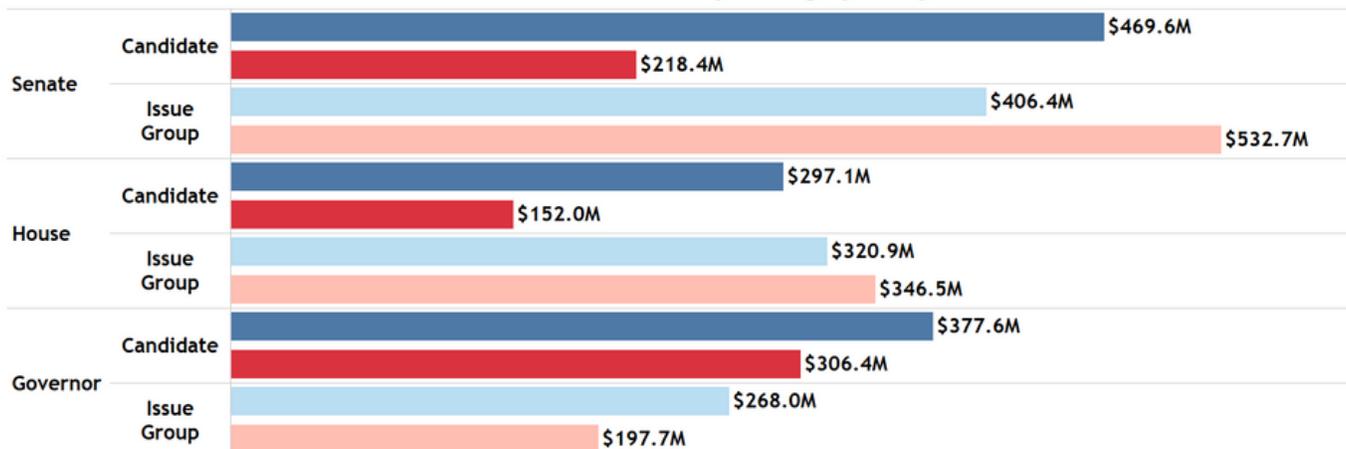
Republican side. Republican Issue Groups outspent their Democratic counterparts by about \$100M (\$1.06B vs. \$986M), but Democratic candidates outspent Republican candidates by more than double (\$1.06BM vs. \$498M). Of the top 10 highest-spending candidates this cycle, 7 were Democrats and 3 Republicans. Raphael Warnock led the pack, spending over \$100M on his reelection bid. Senate Leadership Fund and Congressional Leadership Fund, two PACs supporting

REPUBLICAN SUPER PACS OUT SPENT DEMOCRATIC SUPER PACS BY \$100M

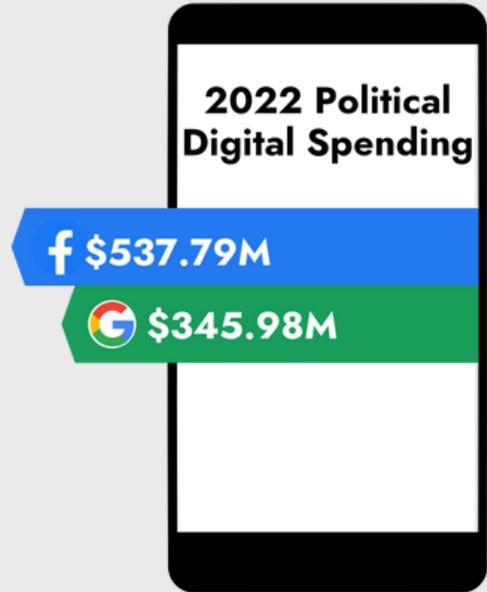
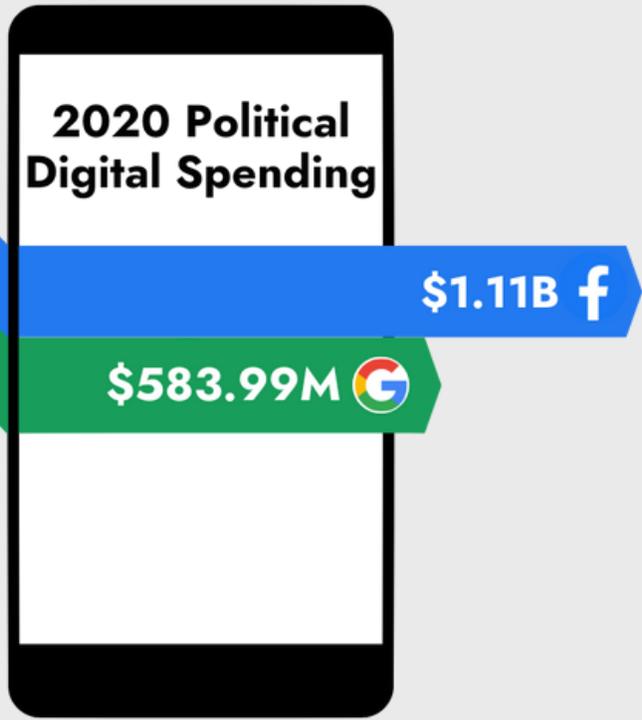
Republican's election efforts, each spent more than \$200M on political ads this cycle. The highest-spending Democratic issue groups, Senate Majority PAC and House Majority PAC, spent just over \$150M. Because of the advantageous rates afforded to candidates, this translated to Democrats in House, Senate, and Gubernatorial general elections being able to run nearly 25% more broadcast airings than Republicans.

DEMOCRATIC CANDIDATES OUT SPENT REPUBLICAN CANDIDATES BY \$560M

Candidate and Issue Spending by Party



Digital Spending Breakdown

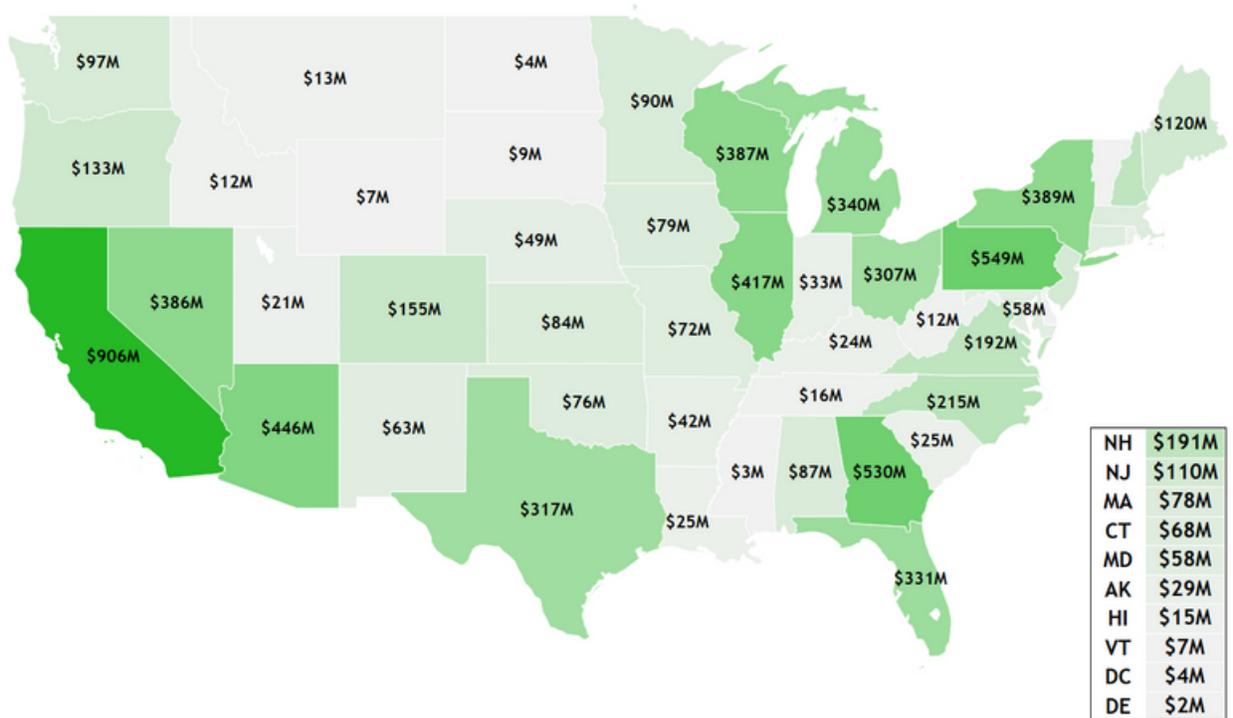


While linear media maintained historical spending shares, digital spending on Facebook and Google took a noticeable dip from 2020 to 2022. In 2020 we recorded \$1.7B of political spending on Facebook and Google for the cycle while 2022 dropped to just \$980M. In 2020, Democratic Issue Groups and Candidates were responsible for 64% of all digital political advertising, nearly 30% more than their Republican counterparts. In 2022, Democrats' share of digital political spending fell by 3% but still outpaced Republicans' 39% share. Facebook spending totaled \$1.1B in 2020 but fell to \$576M in 2022, representing a 48% decline. Google spending experienced a drop of 32%, going from \$584M in 2020 to \$387M in 2022. A major source for 2022's digital decline was the absence of a presidential election topping the ticket. In 2020, over \$850M was spent by presidential candidates between Facebook and Google, accounting for nearly 50% of all digital political advertising. Across all other spending categories (House, Senate, Governor, and Downballot), 2022 digital spending outpaced 2020 \$980M to \$842M.

45%
DECREASE IN DIGITAL SPENDING
BETWEEN 2020 AND 2022
POLITICAL CYCLES

[Where was Spending the Highest?]

Like past cycles, states with highly consequential federal elections drove political spending in 2022. Georgia, the state which saw the most spending in 2020 at \$845M, came in second overall in 2022 with \$588M spent. Spending in Georgia was once again charged by a Senate race going into another runoff extending spending beyond election day. Pennsylvania (\$552M) and Arizona (\$447M) also ranked in the top 5 highest spending states in 2022, each outpacing 2020 spending (\$439M and \$425M respectively).



California saw the most spending out of any state this cycle despite not hosting a competitive Senate or Gubernatorial race. Of the \$910M spent in the state, only \$183M was targeted toward House, Gubernatorial, and Senate races. State-level ballot propositions drove the remainder of the spending as CA Prop 27, which targeted mobile sports betting, received \$274M. One of the major surprises of the 2022 election cycle was the decline of political spending in Florida. After being the most expensive state in 2018 at \$502M, and the 5th most expensive in 2020 at \$549M, Florida dropped to 11th overall in 2022, only receiving \$333M even though it hosted both Senate and Gubernatorial elections. This downturn in spending coincided with its shift from a battleground to a likely Republican state as both Republican candidates secured double-digit victories in November. Republican advertisers outspent their Democrat counterparts by \$199M to \$102M.

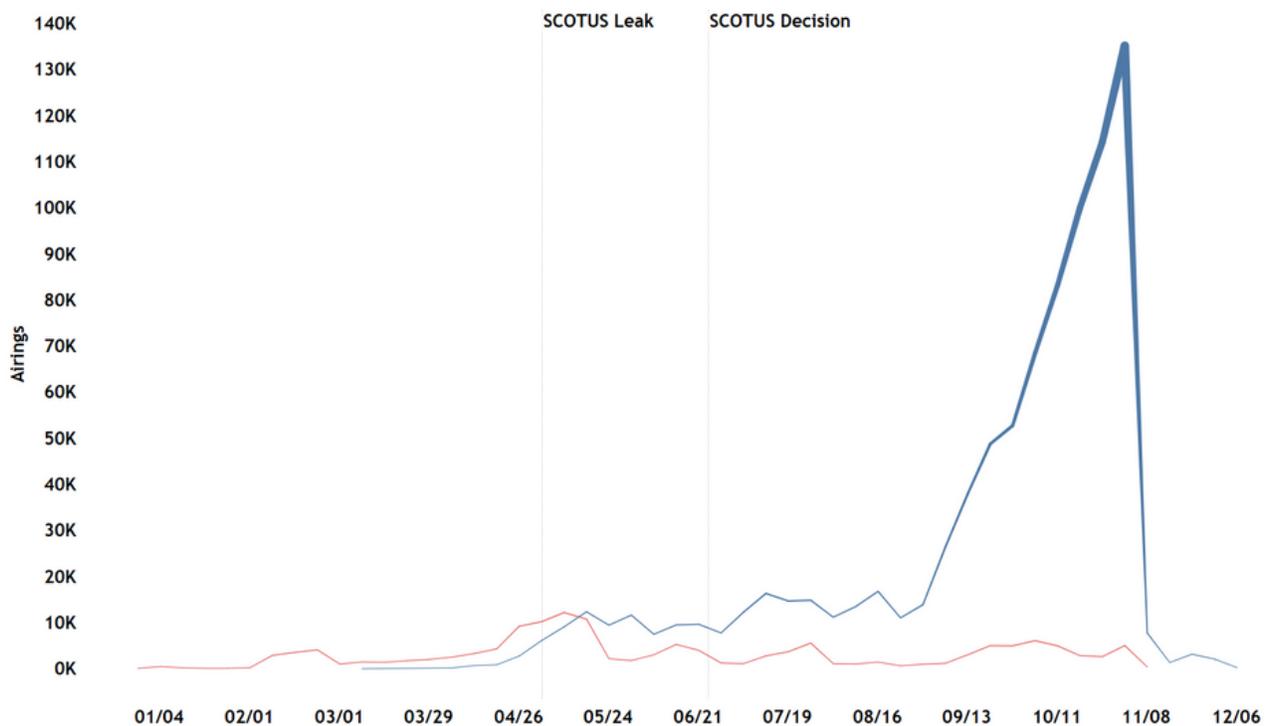


**Political Messaging:
What were Advertisers
talking about this Cycle?**

Political Messaging and the Roe Reversal

One of the defining characteristics of the 2022 Midterm Election was the overturning of the Roe vs. Wade decision. Abortion, which never previously ranked as a top issue in political ads, became one of the defining topics of the election.

19% of all political ads this cycle referenced abortion. Interestingly, there were more Republican ads relating to abortion prior to the Dobbs decision leak than Democrat ads relating to the topic. However, after the leak, the number of Democratic ads on the topic skyrocketed.



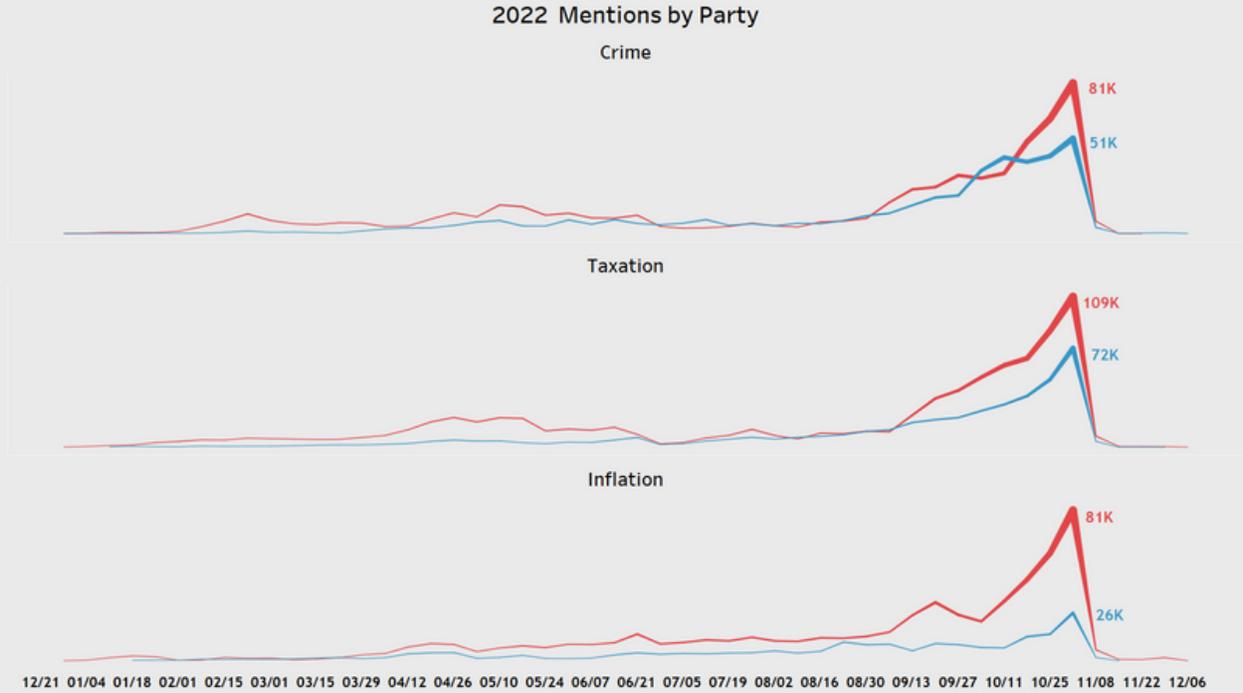
This trend surrounding Democratic ads not only continued through the general but grew exponentially while Republican ads remained relatively steady. By the end of 2022, abortion was mentioned in Democratic ads 8.5 times more frequently than in Republican ads. The prominence of abortion was a new phenomenon for the 2022 cycle. Democrats aired more than 10 times as many ads on the topic in 2022 than they did in either 2018 or 2020.

POLITICAL AIRINGS RELATING TO ABORTION IN 2022 WERE **10x Higher** THAN IN 2018 AND 2020

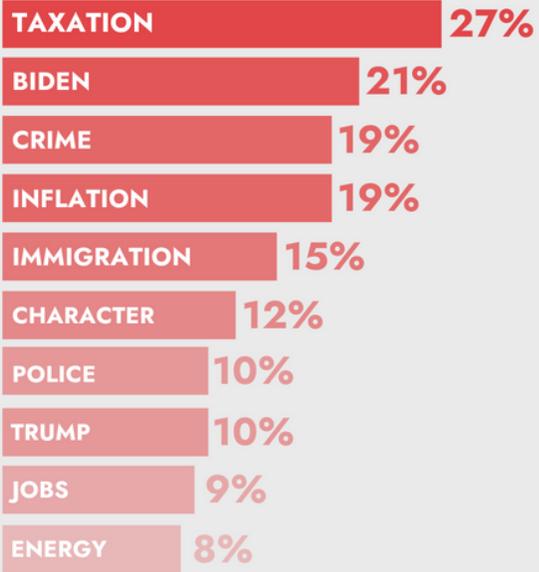
Republican Messaging in the 2022 Cycle

While Democrats hammered home abortion messaging, Republican ads were more varied in topic. Over the 2022 cycle, Republicans focused their messaging on four

main issues: Taxation, Crime, Joe Biden, and Inflation. Each issue was mentioned in at least 19% of ads aired by Republican advertisers.



Top 10 Republican Messaging Topics



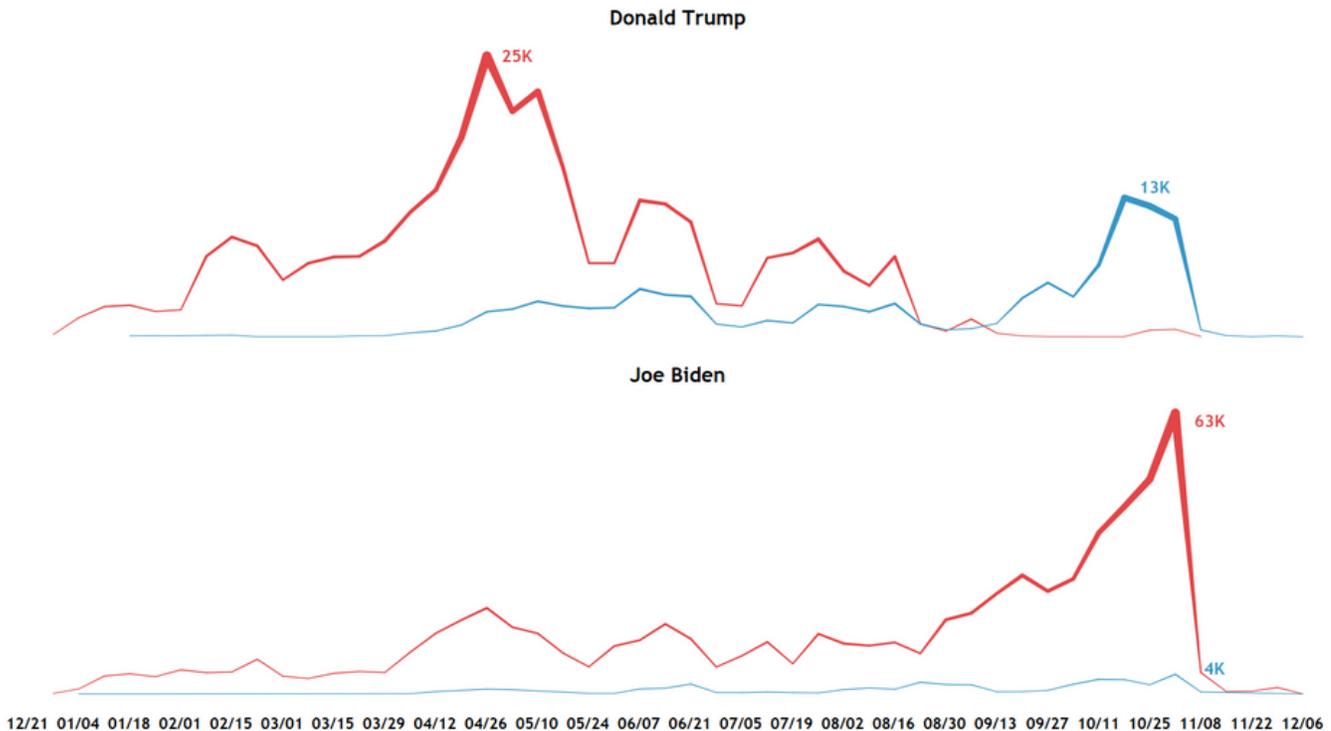
In contrast, 44% of Democratic ads mentioned Abortion while no other topic exceeded 17%. Republicans ran more messages on all of the previously mentioned topics than Democrats, but Crime was where Democrats responded the most. These ads frequently defended Democratic candidates by pointing toward their support of law enforcement. Crime was a far more frequent topic for Republicans this year than in years past – only 8% and 13% of Republican ads mentioned Crime in 2020 and 2018, respectively.

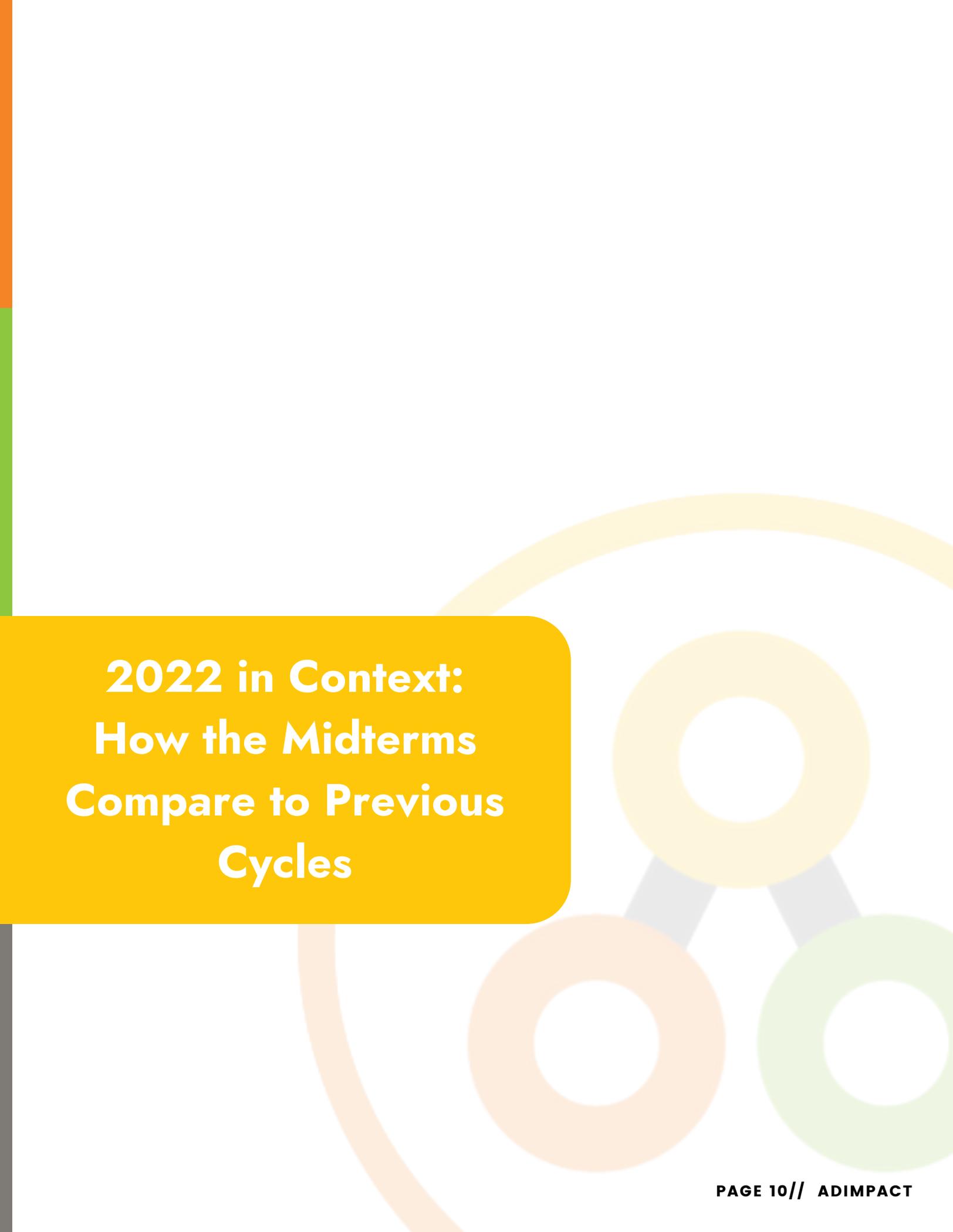
The Influence of the Presidency

As another potential presidential clash between Biden and Trump looms, it is useful to examine the place each of them had in television ads throughout 2022. Nearly one in four GOP general election television ads mentioned President Biden while less than one percent of Democratic general election television ads mentioned him. The grip the two men hold on their parties is further illuminated by how they are featured in their respective party's primary ads. Only 3% of Democratic primary ads mentioned the President, while Trump was featured in 23% of Republican primary ads. Both Presidents held similarly low approval ratings at the time of the 2022 election — approximately 40%.

PRESIDENT BIDEN WAS MENTIONED IN **25%** OF REPUBLICAN GENERAL ELECTION POLITICAL ADS

2022 Candidate Mentions by Party





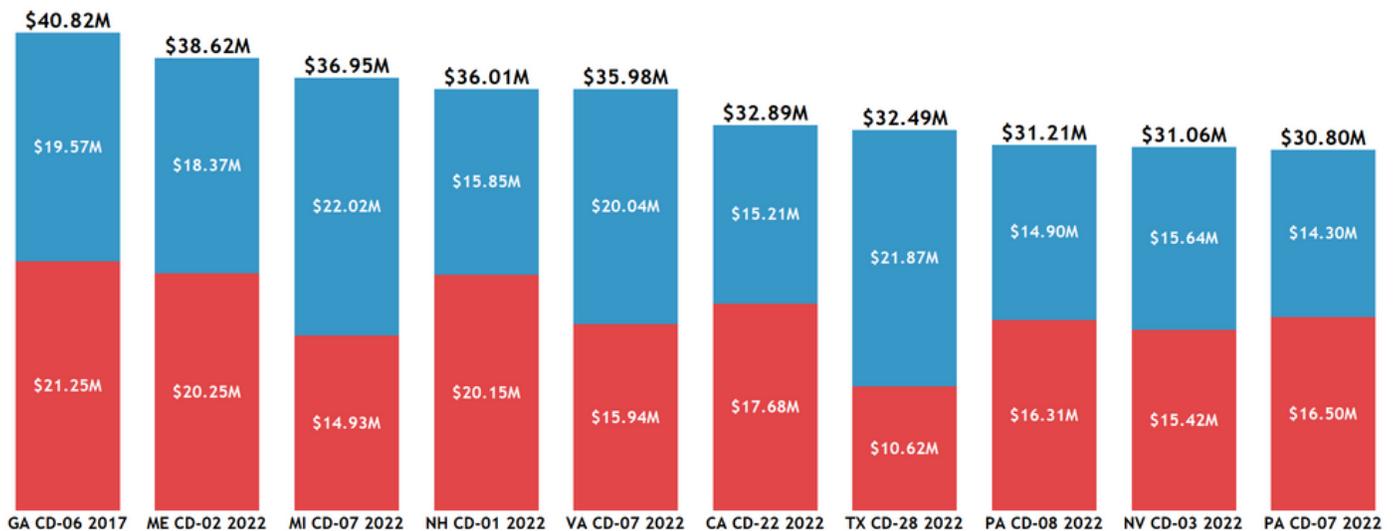
**2022 in Context:
How the Midterms
Compare to Previous
Cycles**

The House:

The 2022 midterms reached historic spending heights as both parties fought for control of the lower chamber. Spending targeting the House surpassed \$1.5B in 2022, compared to \$1.2B in 2020 and \$1B in 2018. This unprecedented spending led to 9 of the top 10 most expensive House races on record occurring during the midterms. These races, securing slots 2 through 10 on the list, each saw at least \$30M spent over the political cycle. The most expensive House race of 2022 and the second most expensive of all time was the contest between Jared Golden and Bruce Poliquin for ME-02 which saw \$38.6M and came within \$2M of overtaking Jon Ossoff and Karen Handel's \$40M battle for GA-06 in 2017 as the most expensive of all time.

Spending surpassed \$1.5B in 2022, compared to \$1.2B in 2020 and \$1B in 2018. This unprecedented spending led to 9 of the top 10 most expensive House races on record occurring during the midterms. These races, securing slots 2 through 10 on the list, each saw at least \$30M spent over the political cycle. The most expensive House race of 2022 and the second most expensive of all time was the contest between Jared Golden and Bruce Poliquin for ME-02 which saw \$38.6M and came within \$2M of overtaking Jon Ossoff and Karen Handel's \$40M battle for GA-06 in 2017 as the most expensive of all time.

Top 10 Most Expensive House Races of All Time



In total, 27 House seats were flipped between the two parties: 9 in favor of Democrats and 18 in favor of Republicans. With a net gain of 9 seats, Republicans took a 222 to 213 seat advantage and control of the House of Representatives. \$216M was spent on the 18 seats Republicans flipped and \$106M was spent on the 9 seats flipped by Democrats. On average it cost nearly \$12M to flip a seat this cycle.

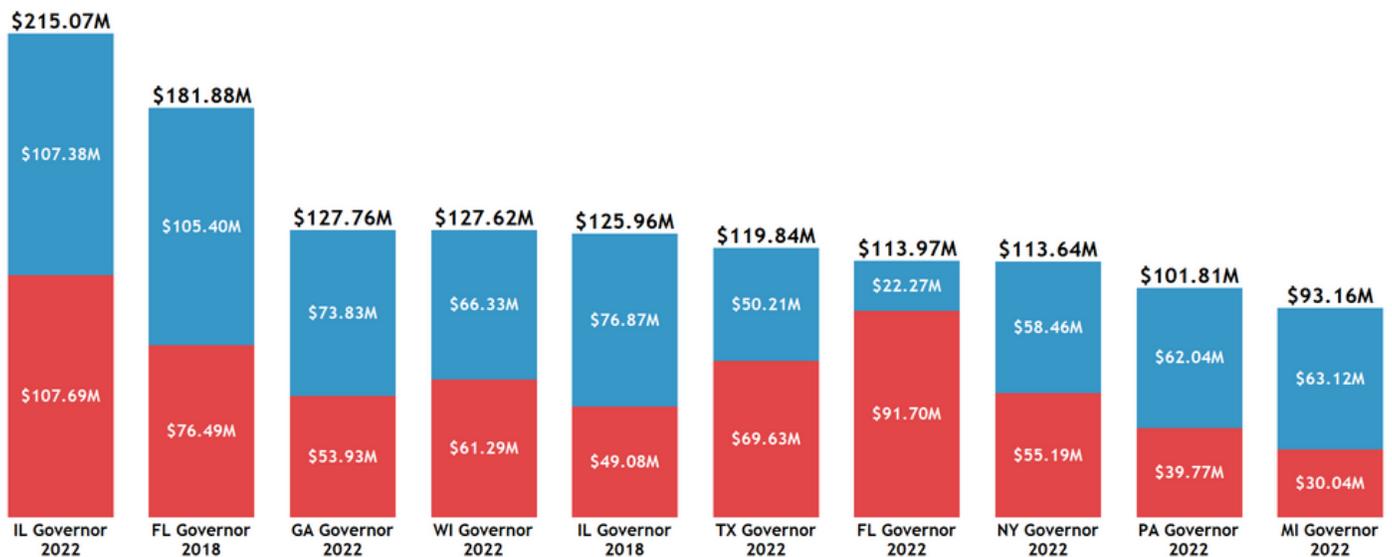
Spending on Flipped Seats



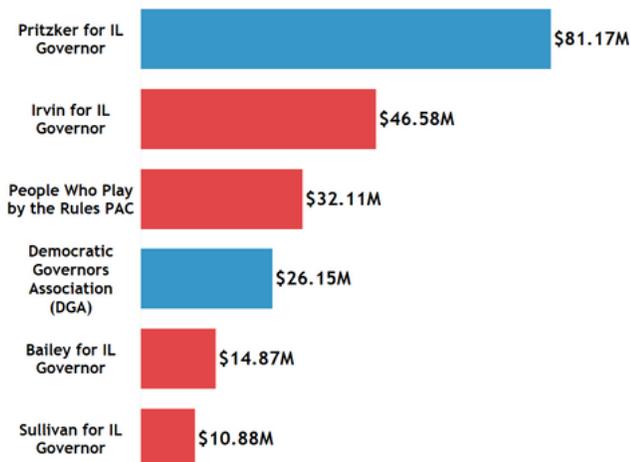
The Governors:

Gubernatorial spending also experienced an all-time high this midterm cycle reaching \$1.8B, nearly \$700M more than the \$1.1B spent in 2018. Not only did 8 of the top 10 most expensive gubernatorial races occur this cycle, but 2022 also hosted the first gubernatorial race to pass the \$200M threshold. The Illinois Governor's race was the most expensive of the cycle, recording \$215M in spending. This was almost \$35M more than the previous record held by the 2018 Florida Gubernatorial battle between Ron DeSantis and Andrew Gillum.

Top 10 Most Expensive Gubernatorial Races of All Time



Top Advertisers in the Illinois Gubernatorial Race

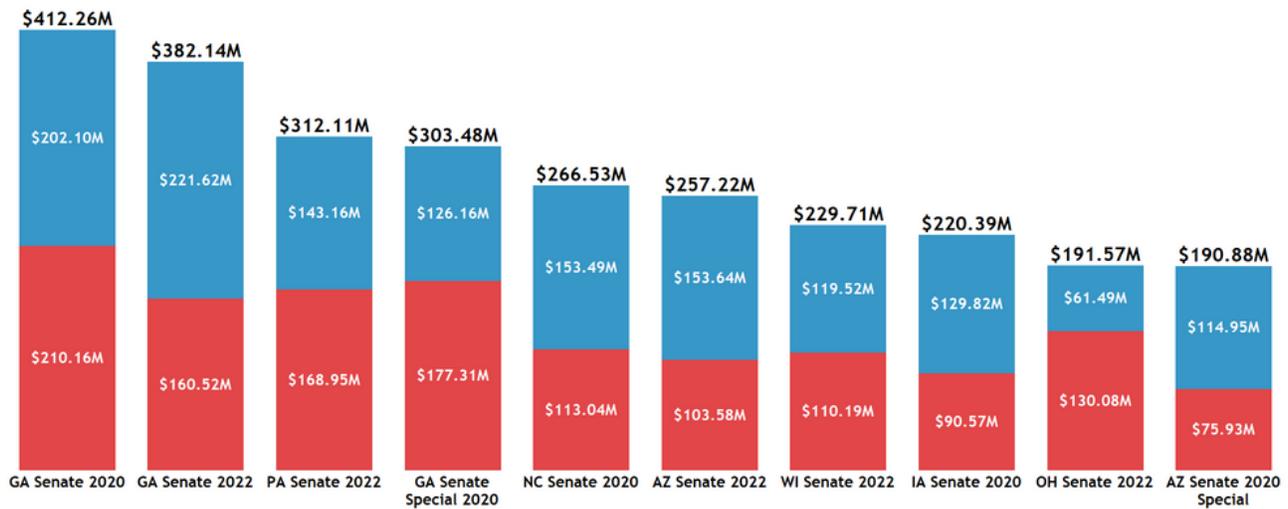


The primary was the driving force behind spending in the Illinois Gubernatorial election, receiving \$148M, more than any other gubernatorial race this cycle. Republicans outspent Democrats \$78M to \$70M and were led by Richard Irvin who spent \$46.6M, but failed to advance to the general. Incumbent J.B. Pritzker spent \$81M in his successful reelection bid, making him the second-highest spending candidate of the cycle.

The Senate:

While overall spending on Senate races dropped from \$2.5B in 2020 to \$2.2B in 2022, these midterms saw 5 of the top 10 most expensive Senate elections on record and the only non-runoff to exceed \$300M in total spending. One reason 2020 exceeded 2022 Senate spending was the presence of two highly contested special elections in Arizona and Georgia, which combined for more than \$500M, along with two incredibly expensive runoffs.

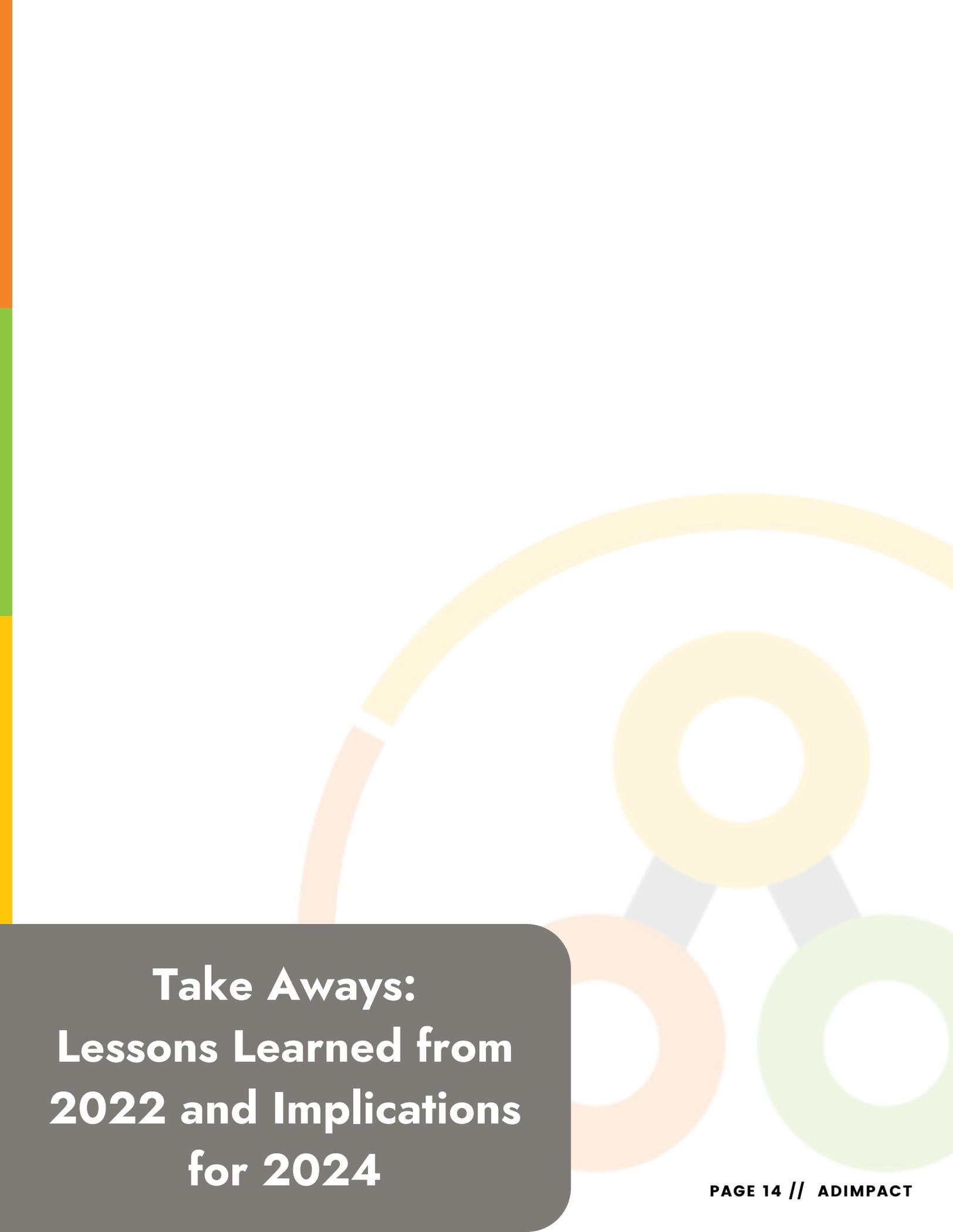
Top 10 Most Expensive Senate Races of All Time



The most expensive Senate race of 2022 was Georgia’s battle between incumbent Democrat Raphael Warnock and Herschel Walker, recording \$374M. Coming on the heels of the historic runoffs of 2020, spending in Georgia did not slow down for the midterms. In total, Democrats outspent Republicans \$216M to \$158M. Sen. Warnock spent \$116M alone in his reelection bid, four times the \$29M spent by Hershel Walker, firmly cementing his place as the highest-spending candidate of the cycle.

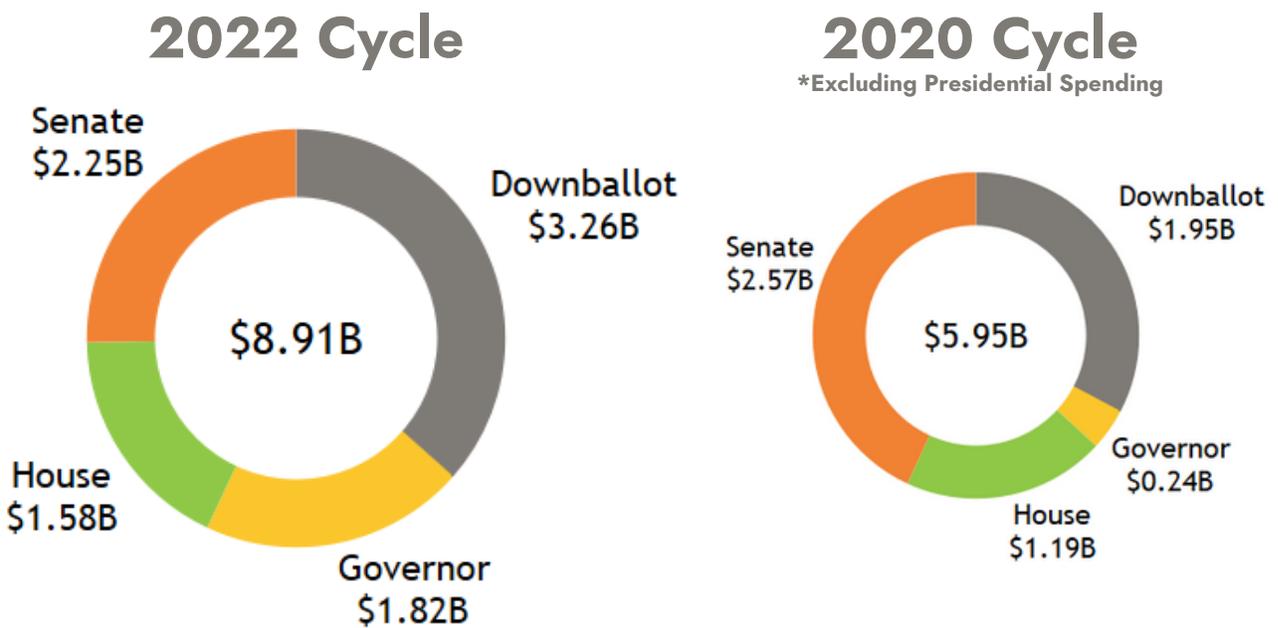
PENNSYLVANIA AND GEORGIA SENATE RACES ACCOUNTED FOR 8% OF CYCLE SPENDING

Pennsylvania’s Senate race between Lt. Governor John Fetterman and Dr. Mehmet Oz was the second most expensive of the cycle recording \$310M. This was the first Senate race without a runoff to surpass \$300M in spending. Republicans outspent Democrats \$168M to \$143M with Republican outside groups outspending Democrat outside groups by more than \$20M, \$107M to \$84M.



**Take Aways:
Lessons Learned from
2022 and Implications
for 2024**

The 2022 cycle was one of the most expensive on record. Even though a Presidential election was not driving spending, it still competed with the historic 2020 cycle for the number one overall spot. In 2020, presidential spending accounted for \$3.1B of the \$9.0B total. When excluding Presidential spending, 2020 received \$5.9B in political expenditures targeting the House, Senate, Governor, and Downballot races. 2022 saw \$3.0B more, coming in at \$8.9B spent on the same categories. The upcoming 2024 political cycle appears to contain several major factors that drove spending in 2020 and 2022.



2024 will have a nearly identical political landscape to 2022 with the House being held by a slim majority and the Senate being separated by two seats. This was the first time since 1934 that a sitting President's party picked up Senate seats and Governorships during a midterm election. It is also poised to host a packed presidential primary as uncertainty grips both parties. Former President Trump has already launched his 2024 bid which was met with rumblings of challenges by several high-profile Republicans. President Biden has not announced his intentions for 2024 which could open the floodgates if he decides not to run. All signs point to 2024 easily passing the 2020 and 2022 political cycles to become the most expensive of all time and the first to surpass the \$10.0B marker.

About AdImpact

AdImpact provides a multichannel view of the TV ad intelligence universe through real-time monitoring of linear television, local cable, and CTV at the DMA, Zip Code, and Household levels, allowing for deeply enriched data analysis.

AdImpact collects, analyzes, and reports on more than one million TV ad occurrences daily, in real-time, involving more than 41,000 brands and advertisers. Coverage includes all national broadcast networks, 1,100 local broadcasters, and more than 80 cable TV networks across all 210 DMAs. In addition to linear television, AdImpact tracks digital media advertising, including more than 36,500 digital advertisers and publishers.

In the political sphere, AdImpact collects electoral ad spending and occurrences from the federal to the local level. Leveraging the data to create user-friendly analytics for clients. AdImpact also collects rate-level data to provide deep insights and build rate forecasts to help buyers and media companies alike. AdImpact's political data is trusted by a full spectrum of political experts, from presidential campaigns to top-tier news outlets.