# Summer Olympics postponement further shakes 2020 ad spending expectations

Sporting events were supposed to be a key driver of advertising spend growth this year. Instead, the coronavirus crisis has led to widespread cancellations, the latest being Tuesday's announcement that the 2020 Summer Olympics will not take place as planned in June. The question is whether these ad dollars will be redistributed elsewhere or simply vanish.

Last week, eMarketer lowered its projections for global media spend this year by nearly 3%. That revision assumed that the Summer Olympics would still take place as planned in June.

WARC had earlier advised that the cancellation or postponement of UEFA Euro 2020 soccer tournament and the Olympics and Paralympics would affect traditional media most heavily (NBCUniversal had sold a record $1.25 billion in national advertising around the Olympics by early March, according to Ad Age.), but "will also impact online publishers and BVOD platforms."

**Video streaming quality.** Another unknown factor is whether the downgrading of video streaming quality by platforms in the face of unprecedented demand will affect digital video ad spend, which has been a growth driver. The Dentsu Aegis Network (DAN) had estimated digital video would grow by 14.6% this year.

**China as a leading indicator.** DAN also revised downwards its estimates for ad spend growth in China from 6.9% to just 3.9%. That's still up from last year's growth of 3%, thanks to mobile which is still expected to drive growth in that market with a 17.6% increase over last year.

**E-commerce growth.** E-commerce is expected to account for 42.4% of all digital ad spend in China this year as consumers are making essential purchases online instead of in-store, DAN said.

The e-commerce story is complicated by supply chain and fulfillment challenges, but many online sellers increased ad spend across channels as social distancing took hold. Whether e-commerce dollars can make up for broader losses in other sectors, however, is unclear.

**Why we care.** This crisis has already forced brands and businesses are already rethinking their advertising and channel strategies. The postponement of the Olympics, in addition to other franchise sporting events, puts further emphasis on the need for many companies to be looking at making alternative marketing mix and messaging adjustments that take changing consumer media consumption and purchasing behavior into account well into the summer.

---

## About The Author

Ginny Marvin is Third Door Media’s Editor-in-Chief, running the day to day editorial operations across all publications and overseeing paid media coverage. Ginny Marvin writes about paid digital advertising and analytics news and trends for Search Engine Land, Marketing Land and MarTech Today. With more than 15 years of marketing experience, Ginny has held both in-house and agency management positions. She can be found on Twitter as @ginnymarvin.

http://feeds.searchengineland.com/~r/searchengineland/~3/S71EbSdN-8A/summer-olympics-postponement-further-shakes-2020-ad-spending-expectations-331371