

# Roku's upfront commitments soar as more advertisers pivot to CTV

Article

**The news:** Roku said its **upfront spending commitments doubled over 2020**, after **closing** this year's upfront negotiations months earlier than in past seasons. It also reported a rise in

first-time advertisers—42% of advertisers didn't buy Roku last year, according to the company.

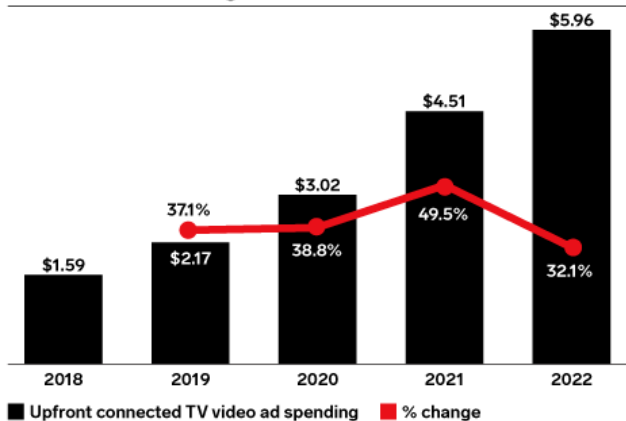
**Zoom out:** Though upfronts are a legacy ad buying tactic from the days of traditional TV, 13-year-old Roku is flourishing under this process. In fact, upfronts make more sense for connected TV (CTV) as a format, said Ross Benes, eMarketer senior analyst at Insider Intelligence, in a recent [article](#). **“High-quality video inventory is scarce and expensive,”** he said, so there are “incentives for advertisers to purchase the inventory in advance before it is sold out.”

**By the numbers:** Roku's upfront success is a sure sign of CTV's viability as an alternative to linear TV, as advertisers look to reroute their budgets to digital platforms. That trend is also represented in our forecasts:

- Overall, traditional TV companies **reported** a successful upfront season, in line with our **estimate** that US upfront TV ad spending will rebound from its 3.5% drop in 2020, **growing by 7.6% this year to pull in \$19.90 billion.**
- Notably, most of that growth will be driven by **upfront digital video spending, which will rise by 42.5%** this year. Unsurprisingly, many traditional media companies devoted a lot of energy this year to directing advertisers to their streaming services. The Walt Disney Co., for example, **reported** that **40%** of its upfront sales this year were in streaming or digital.
- Perhaps most tellingly, **upfront CTV ad spend has not dropped** since we began tracking it, not even during 2020's lackluster upfronts. That makes Roku's gains this year even more impressive. We **estimate** that **upfront CTV video ad spending grew by 38.8% last year**, and this year it will grow even faster, **by 49.5%, to reach \$4.51 billion.**

## US Upfront Connected TV Video Ad Spending, 2018-2022

billions and % change



Note: connected TV video ad spending that is committed in advance, including spending resulting from the TV upfronts, the IAB Digital Content NewFronts, and other events/meetings throughout the year  
Source: eMarketer, May 2021

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**The big picture:** Even as the industry pivots to digital, upfronts won't go away—they'll just look different. "Roku's increased presence at the upfronts is indicative of how entrenched selling inventory in advance has become for streaming companies," Benes said. "As the methods to buy streaming video and linear TV advertising overlap even more, the distinction of what is considered television becomes existential."

For more on this, read our ["Upfront TV and Digital Video 2021"](#) report.