Guideline Insights

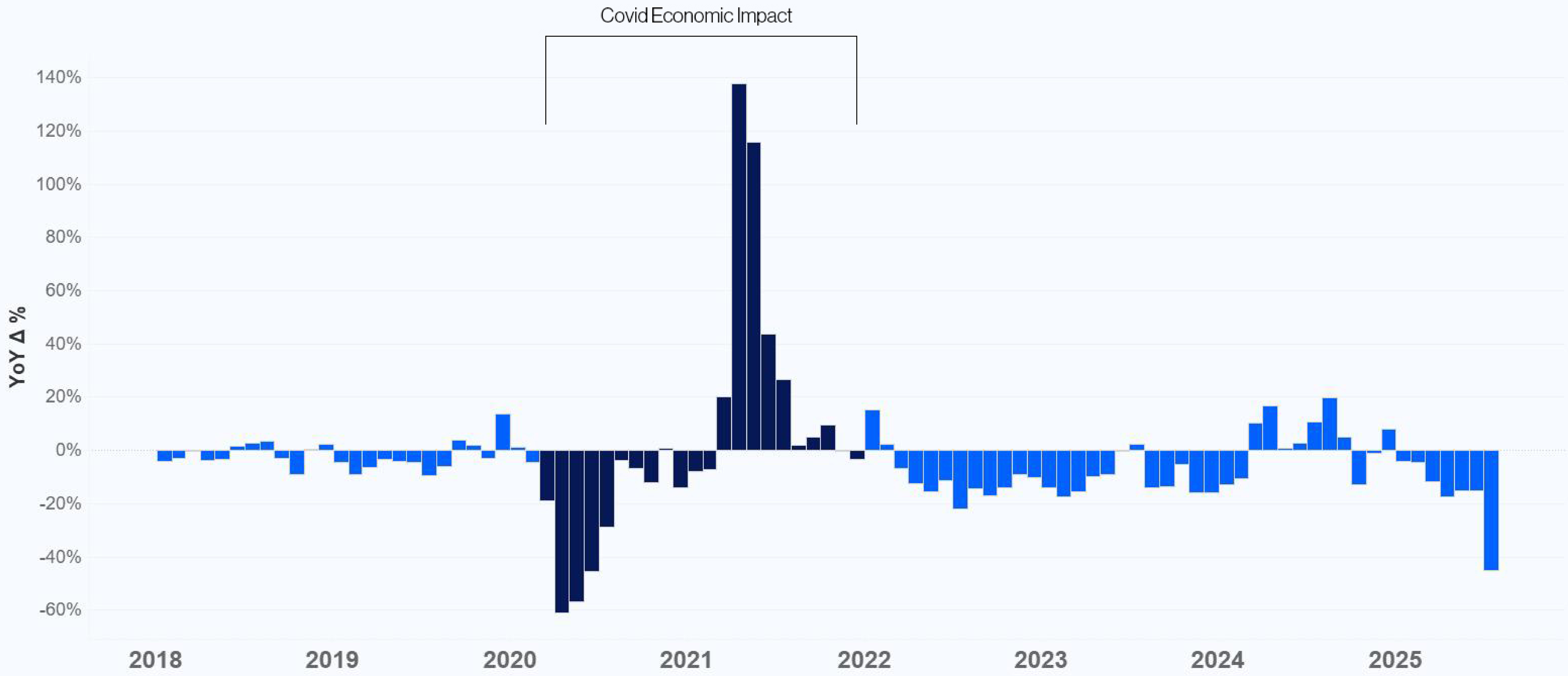
Metrics in Motion | August 2025

Local TV in Transition: Spend & Pricing Trends in 2025

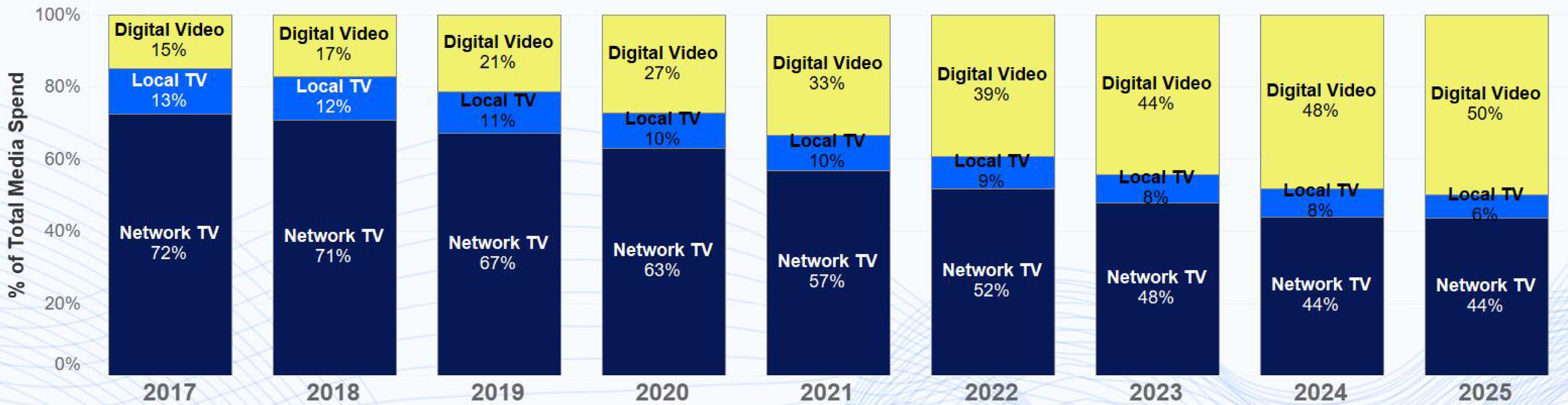
2025 has brought a wave of regulatory changes and shifts in U.S. economic policy that continue to reshape the media landscape. In response, brands are prioritizing agility — favoring transparent, outcome-based, and opportunistic buying solutions.

At the regulatory level, potential changes could alter market structure, particularly in Local Media. Most recently, Nexstar Media Group announced new M&A activity, part of a broader trend in which major station groups have pursued consolidation strategies. These moves are often described as efforts to capture the benefits of scale, expand reach, and create operational efficiencies. In practice, they also strengthen bargaining power at both the local and national level.

Within the Guideline pool, Local Television (Spot TV & Local/MSO Cable) spend shows a history of volatility that predates the disruptions of COVID-19 — underscoring that the challenges facing the channel are structural, not cyclical. Much of this pressure comes from large tech platforms — Search, Social Media, and Retail Media — whose offerings increasingly target small and medium businesses. At the same time, digital video buying has become more accessible, allowing organizations of all sizes to shift dollars away from linear, including local television.

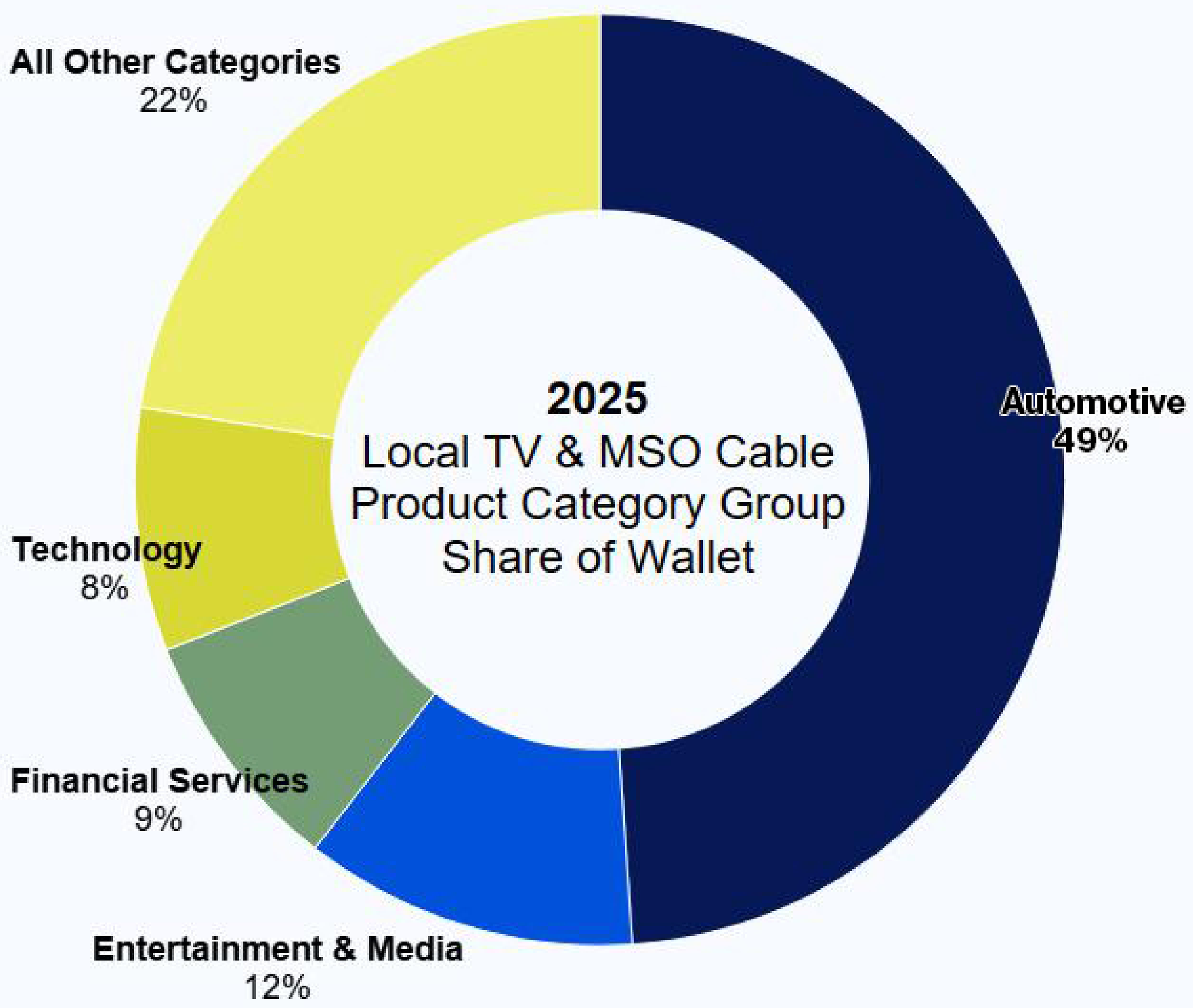


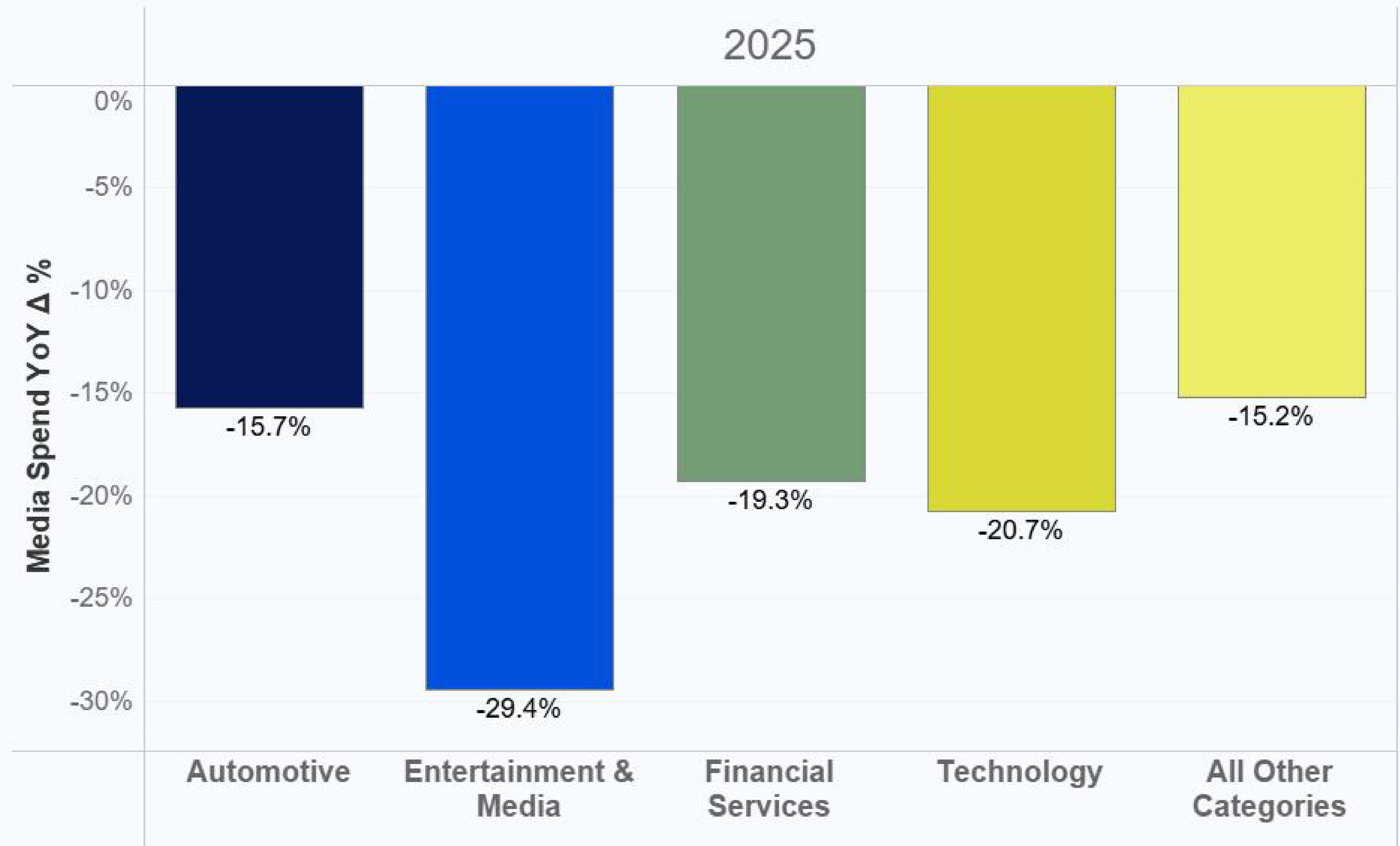
Visualizing the shift below, within the Guideline pool, the balance between Digital Video and Television has shifted steadily year over year. Local TV accounted for 13% of total media spend in 2017, but by June 2025 it represents just 6%.



Source: Guideline SMI, Core 2.0, US, January 2017 - June 2025. Includes custom configuration of Media Type: Television & Digital, Media Sub Type: Spot TV & MSO/Local Cable, and, Ad Type: Video.

Category Performance: Declines & Shifts

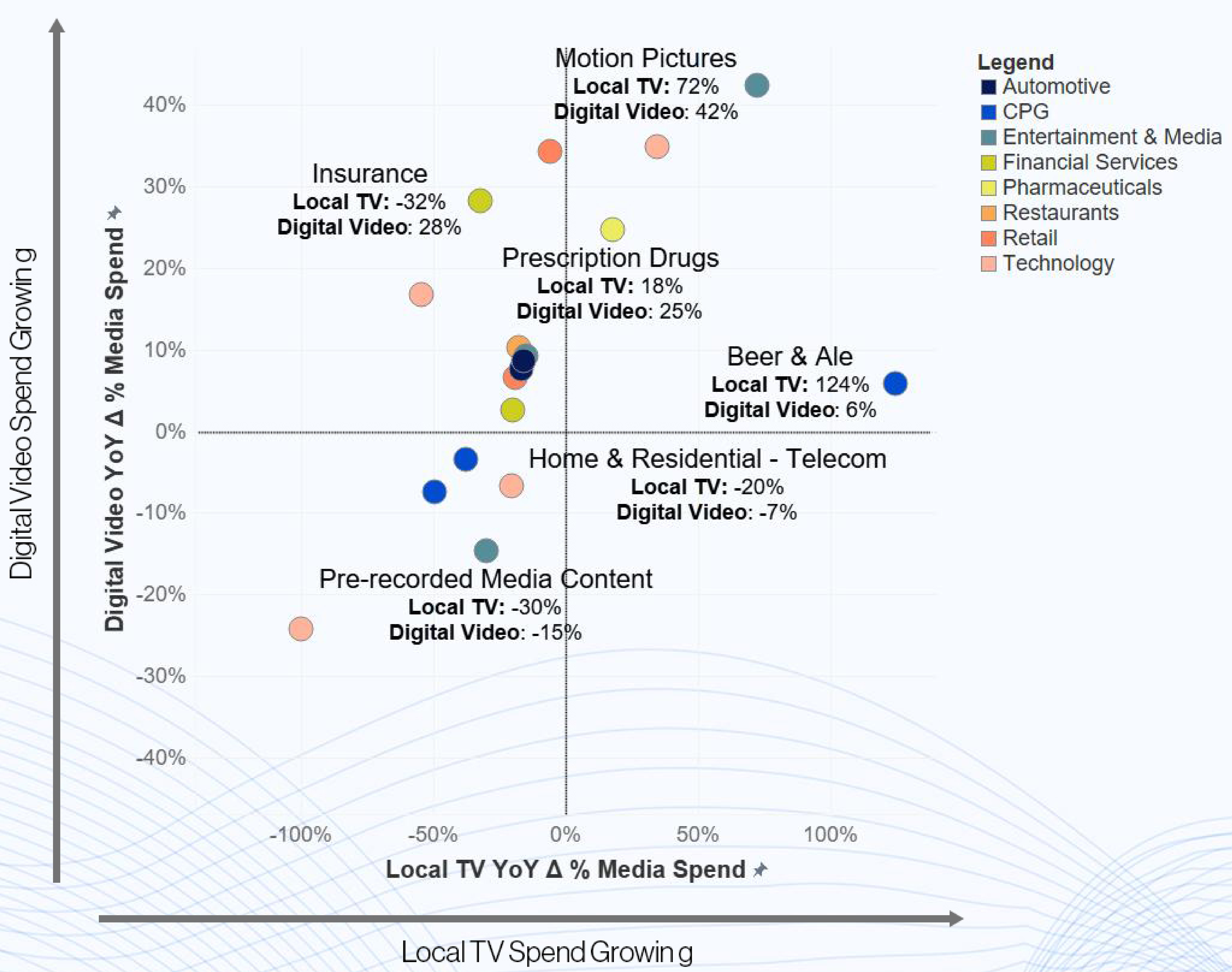




At the Product Category Group level, Local TV spend remains highly concentrated: Automotive, Entertainment & Media, Financial Services, and Technology together account for 69% of the channel. Yet in 1H 2025, all four are posting double-digit year-over-year declines.

By comparison, across the broader Guideline pool these same categories are performing very differently. Automotive is down just -0.8% YoY, Entertainment & Media only -2.9%, while Financial Services is up +14.1% and Technology up +9.7%. This underscores that Local TV is underperforming relative to these categories' overall media activity.

Yet at the more granular Product Sub Category level, the picture is more complex. In some cases, Local TV is capturing growth at an even faster rate than Digital Video. For example:



Prescription Drugs (+18% in Local TV, +25% in Digital Video), representing 11.4% of total Guideline spend.

Beer & Ale (+124% in Local TV vs. +6% in Digital Video).

Motion Pictures (+72% in Local TV vs. +42% in Digital Video).

These outliers highlight that while Local TV is broadly challenged, certain subcategories continue to lean into the medium — and in some cases, are accelerating their Local TV investment.

Source: Guideline SMI, Core 2.0, US, January-June 2024 & 2025. Includes custom configuration of Product Category Group & Product Sub Category, Excld. General Business.

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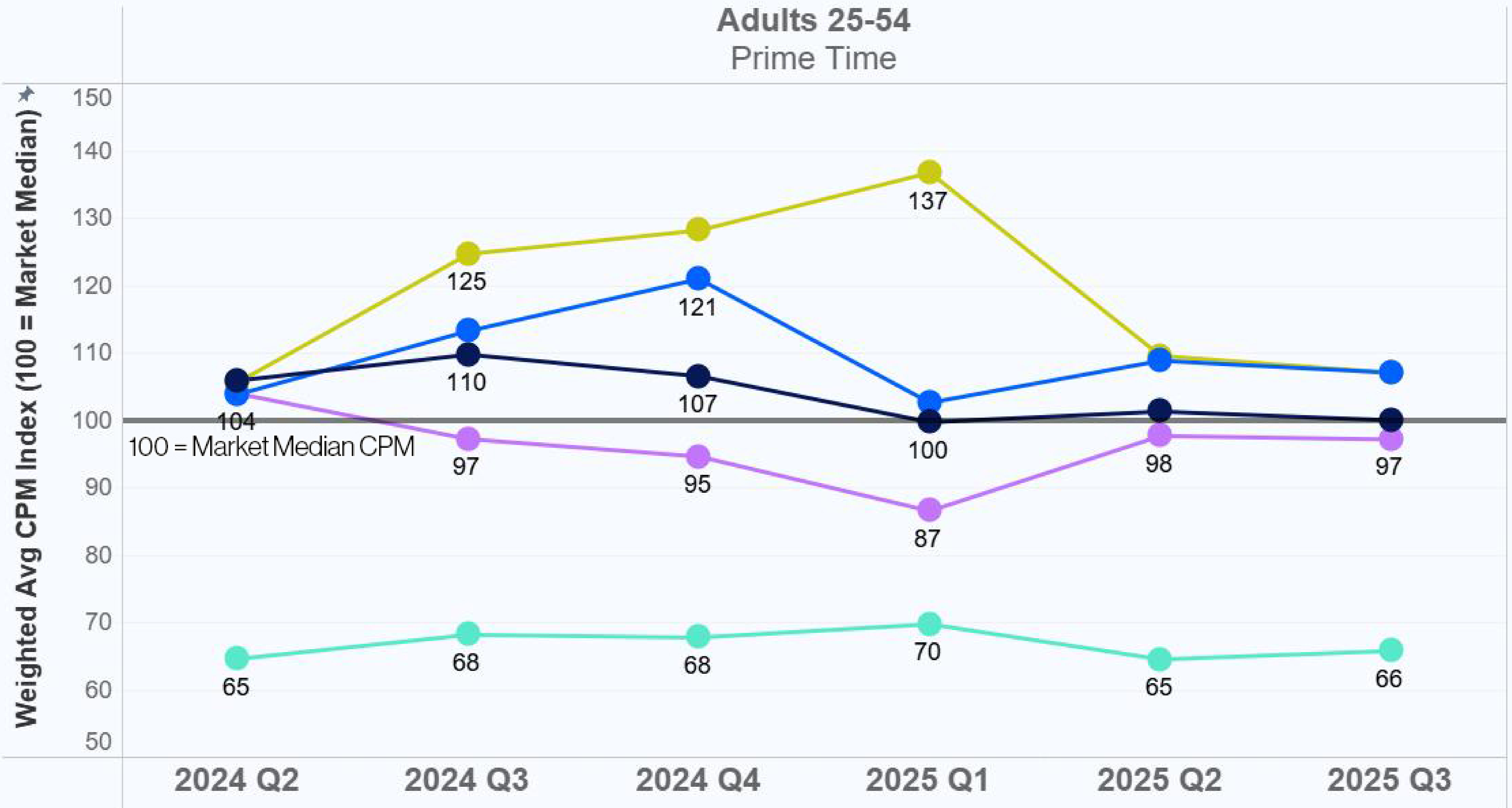
Local TV Pricing Power: Weighted CPM Indices by Parent Owner

Spend trends reveal which categories are expanding or contracting, but pricing dynamics tell a different story. CPM indices show how costs vary across the five largest station groups by footprint in Local TV — and how consolidation could further reshape pricing power at the local level.

Using Guideline's Media Costs Local dataset, representing booked CPMs, station-level Average CPMs are normalized into market-relative indices, where a value of 100 equals the median CPM for that market, daypart, and demo. This normalization controls for differences in market size (e.g., New York vs. Boise).

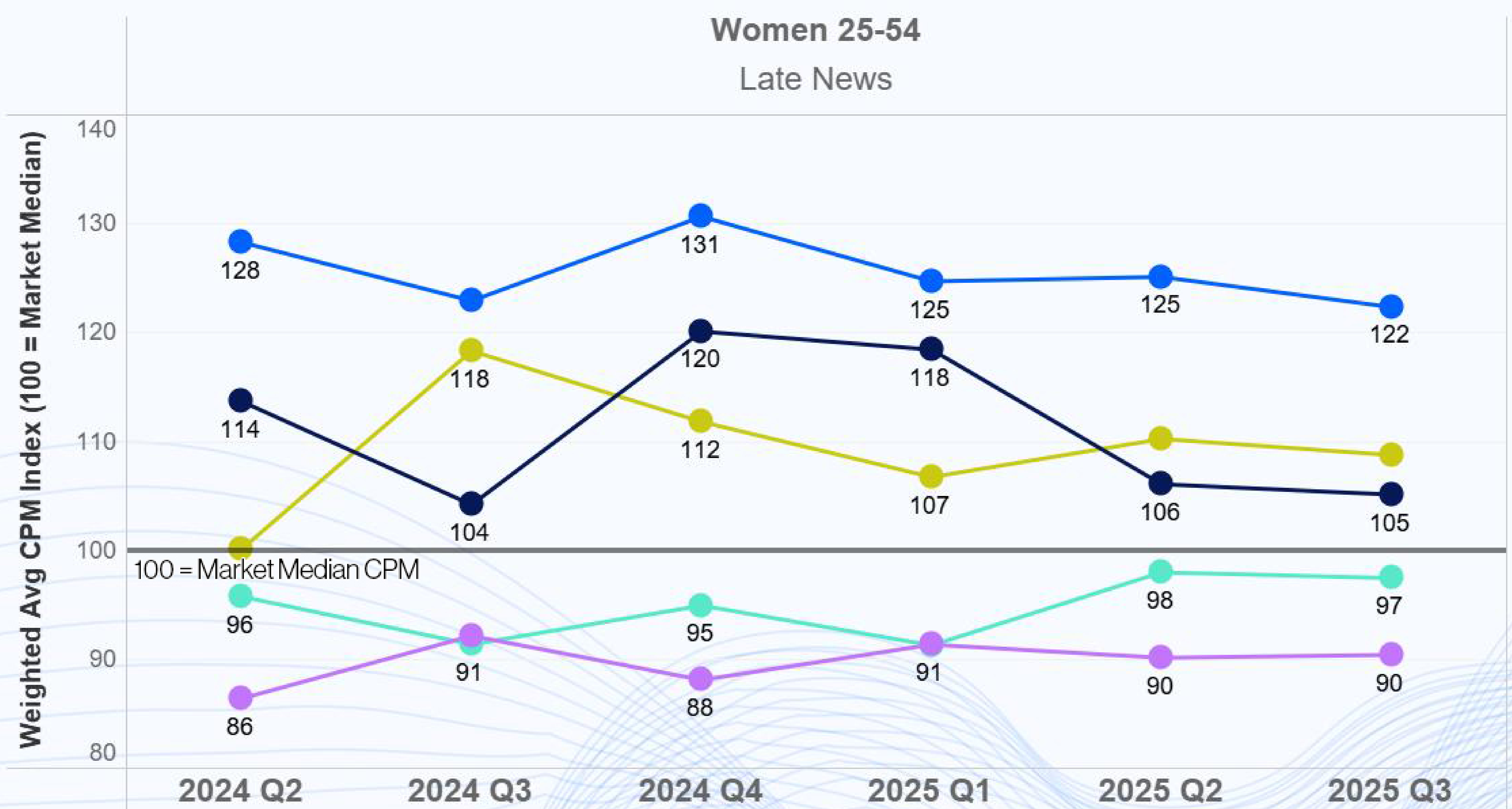


To reflect scale, indices are then aggregated to the parent-owner level using market population weights, producing a weighted average index that represents each owner's overall pricing posture across the marketplace.

As we look at Prime Time popular demos (A25-54) across station owners among the five largest groups by footprint in Local TV, even as overall Local TV spend shrinks, pricing power is unevenly distributed. While some groups command meaningful premiums, others perpetually discount.

Prime Time median average CPM indices reveal systematic pricing differences. Gray and Sinclair consistently index above market norms, while Tegna and Scripps remain discounted.

In Late News among W25–54, stations from Nexstar, Sinclair, and Gray consistently trade above the market median, signaling strong pricing power.
By contrast, Tegna and Scripps remain below 100, suggesting they regularly discount one of Local TV's most valuable dayparts relative to the market median.



Source: Guideline SQAD, Media Costs Local, US, April 2024-September 2025. Includes custom configuration of Avg. CPMs, DMA Pop, and Stations.
Source: Guideline SMI, Core 2.0, US, April 2024-September 2025. Includes custom configuration of Present Parent Owner & Media

Appendix: Weighted CPM Index Methodology

The CPM indices presented here are derived from Guideline's Media Costs Local dataset. Because raw CPMs vary widely across markets, dayparts, and demos, we normalize them into indices where 100 equals the median CPM for that specific market/daypart/demo. This step ensures that each station is evaluated relative to its local norm, making cross-market comparisons possible.

Each station's Average, High, and Low CPMs are converted into indices against this baseline (e.g., an index of 120 indicates CPMs that are 20% higher than the market median). A range value is also calculated by subtracting the Low Index from the High Index, capturing the spread of pricing in each case.

To account for scale, indices are then weighted by market population when aggregated to the Present Parent Owner level. This dimension is joined in from Guideline SMI Core 2.0 at the Media level for a one to one match against each station. In practice, this ensures that large DMAs such as New York or Dallas carry proportionally more influence than smaller markets.

The result is a set of weighted CPM indices that provide a clear, comparable view of how each parent owner systematically prices relative to the broader marketplace.