Television is not going anywhere, it is going everywhere

A European overview of
TV's good health

egta

***Katty Roberfroid**, Director General*

egta.

European association of television and radio sales houses

Our members?

Marketers of advertising solutions across (multiple) screens and/or audio platforms

Our network

139 members
40 countries (+)

In the Czech Republic

www.egta.com

The Global TV Group

The Global TV Group

France — United Kingdom — Sweden — Netherlands — Belgium — Canada

LATAM — Germany — Australia — United States — Finland — Czech Republic

+ Spain , Italy, Poland, Ireland

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TV is not going anywhere, it is ~~going~~ everywhere

An international overview of TV's good health

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What television or rather TV are we talking about?

TV vs. Television

- Total Video
- Total Vision


Perception
Reality

“AD” PEOPLE SHOULD NOT TAKE THEIR MEDIA CONSUMPTION HABITS FOR GRANTED NOR CONSIDER THEM AS THE NORM WHEN THEY MAKE DECISIONS

Perception vs. reality

33%

Ad people are **present** and **active on at least 4 social networks**

against

8%

Normal people

Perception vs. reality

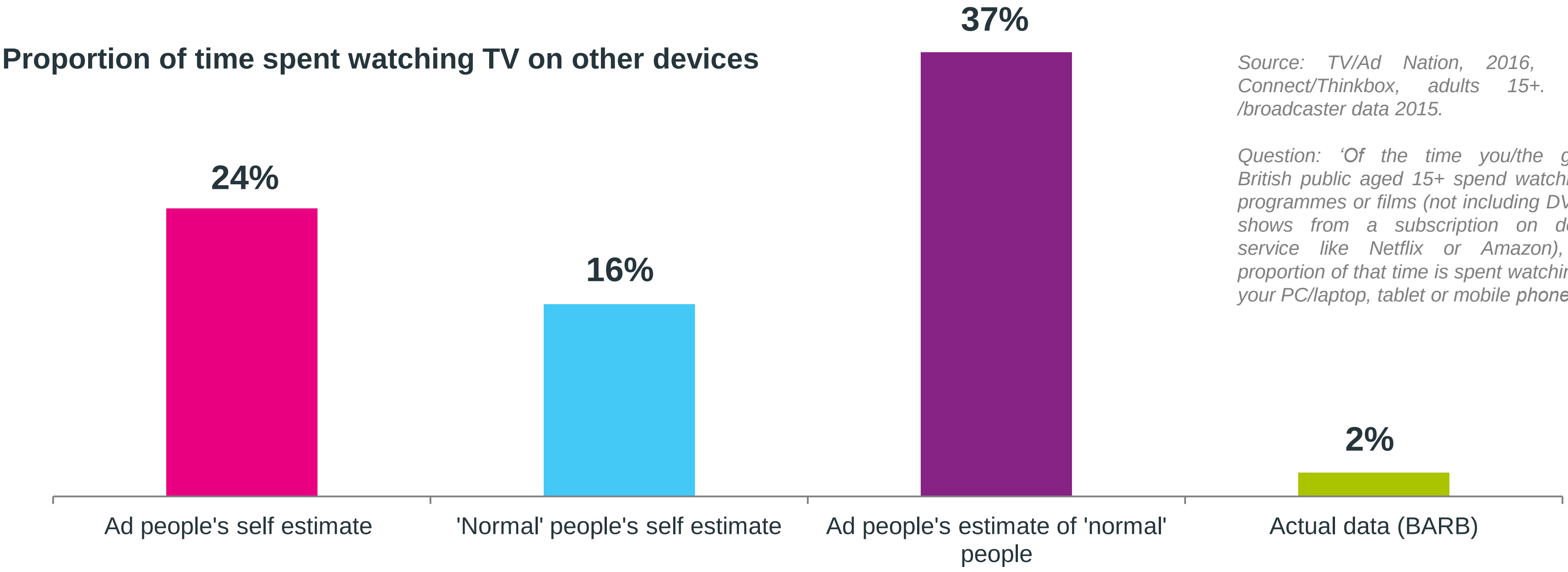
39% against **14%**

Ad people **Normal people**

use Twitter

Perception vs. reality

Industry overestimates device usage by some margin (UK)



Source: TV/Ad Nation, 2016, Ipsos Connect/Thinkbox, adults 15+. BARB /broadcaster data 2015.

Question: 'Of the time you/the general British public aged 15+ spend watching TV programmes or films (not including DVDs, or shows from a subscription on demand service like Netflix or Amazon), what proportion of that time is spent watching…on your PC/laptop, tablet or mobile phone'

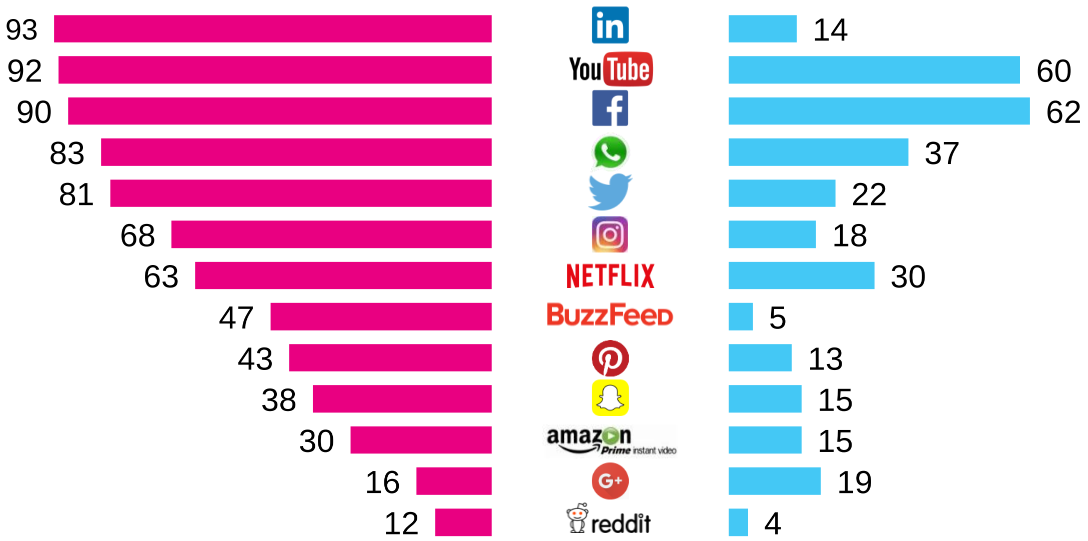
Perception vs. reality

Ad people are social media & SVoD addicts

% claim to have used in last 3 months

Ad people

‘Normal’ people



Source: TV/Ad Nation, 2016, Ipsos Connect/Thinkbox, adults 15+
Question: ‘Which of the following websites, apps or services have you visited or used in the last 3 months?’

Fragmentation of devices

More and more choice over **how** and **where** to watch

Explosion of offer in TV landscape

The number of European channels has increased rapidly in recent years

1960

1960	1993	2016
31	1,266	12,119
TV channels in Europe	TV channels in Europe	TV channels in Europe

TODAY

Source: TV Key Facts 1994/2016, European Audiovisual Observatory, MAVISE

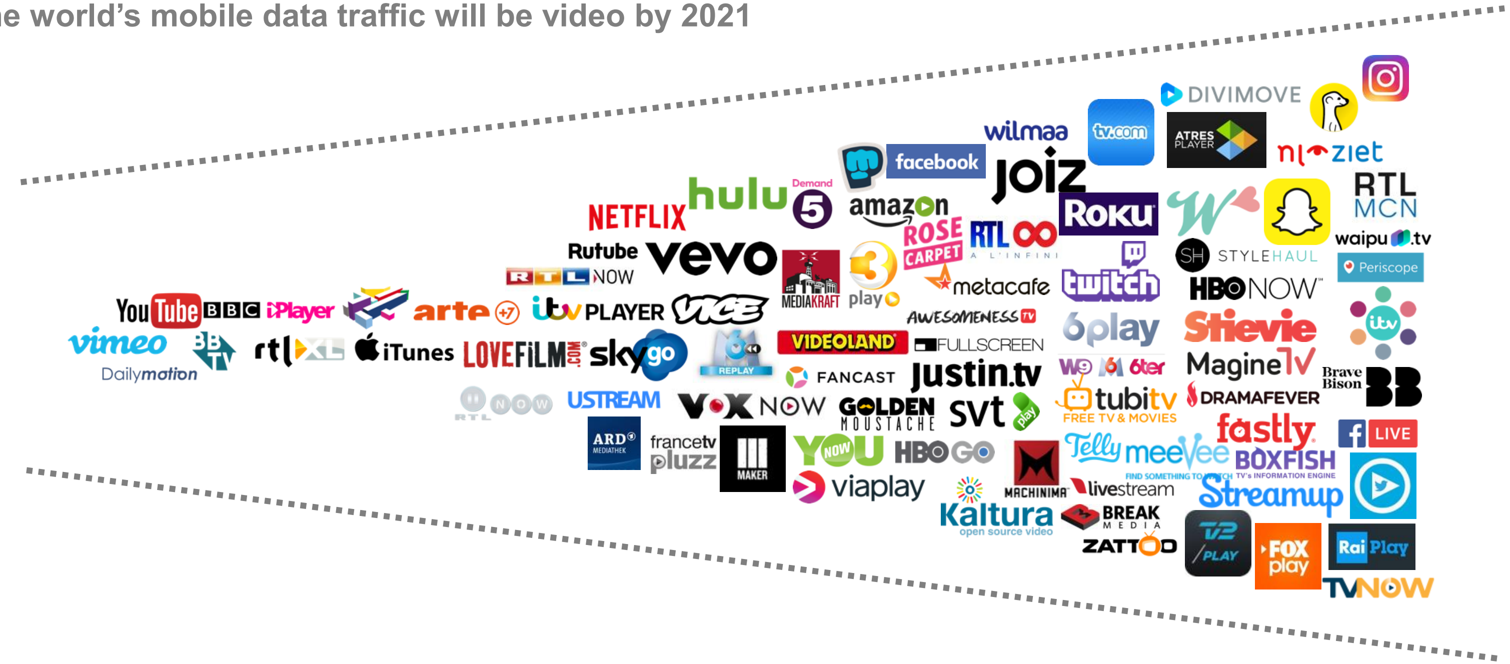
Explosion of offer in TV landscape

RTL AdConnect
International Advertising Solutions

The number of online video offers has increased rapidly in recent years

78 % of the world's mobile data traffic will be video by 2021

2005



TODAY

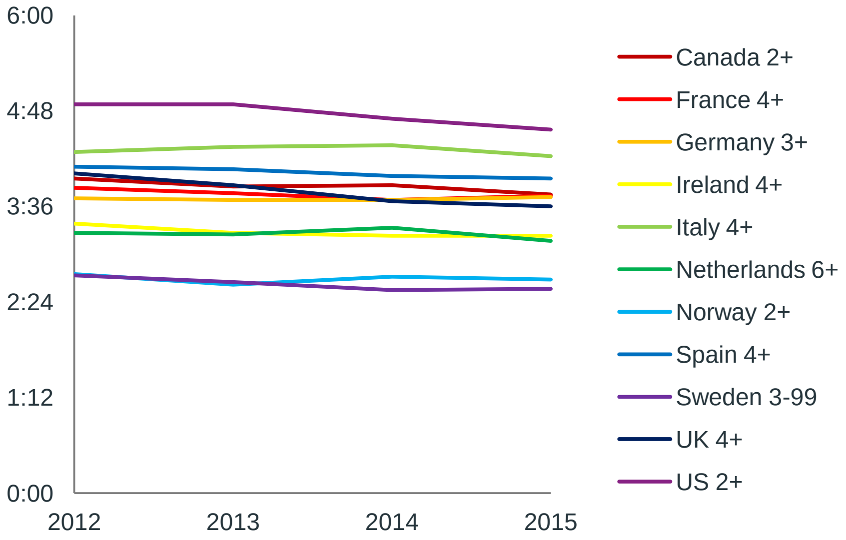
Source: *TV Key Facts 1994/2016, European Audiovisual Observatory, MAVISE*

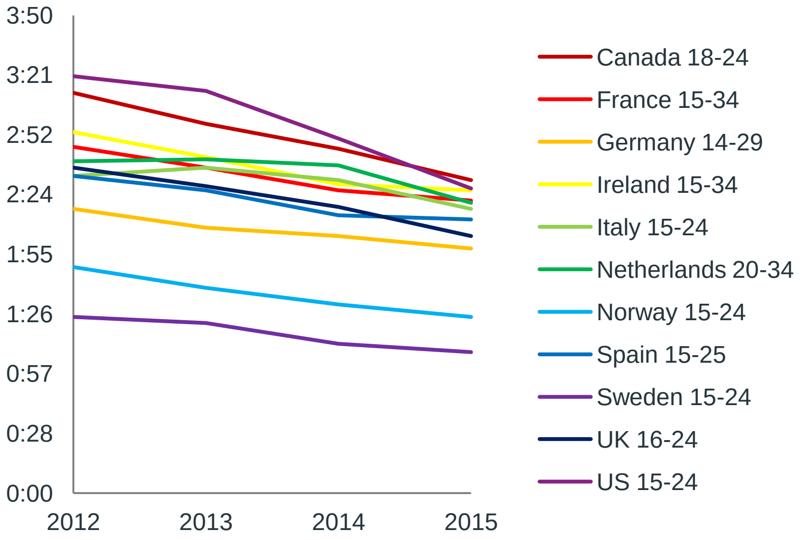
and Digital TV is evolving amidst a maze of adtech providers…

Consequences of fragmentation

Less viewing takes place on the traditionally measured TV set, particularly for younger target groups

Average daily viewing time (HH:MM)





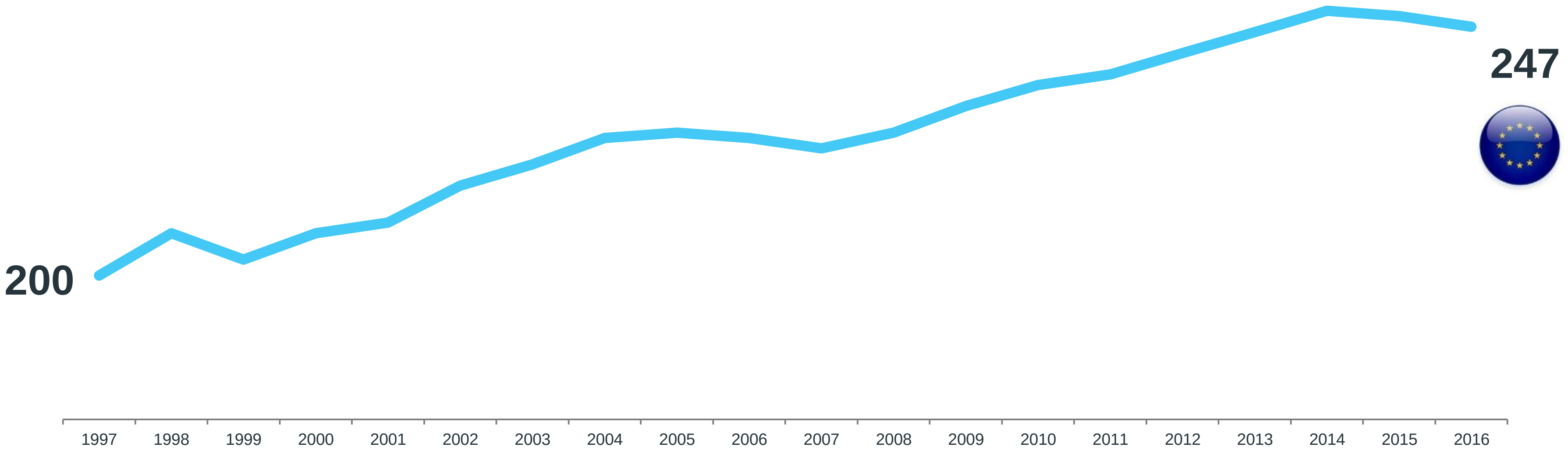
Average daily viewing time includes Live + Consolidated

Sources: Numeris (CA); Médiamétrie (FR); AGF (DE); TAM Ireland (IE); Auditel (IT); SKO (NL); Kantar Media (ES); MMS (SE); BARB (UK); Nielsen (US)

Viewing time in Europe is stable

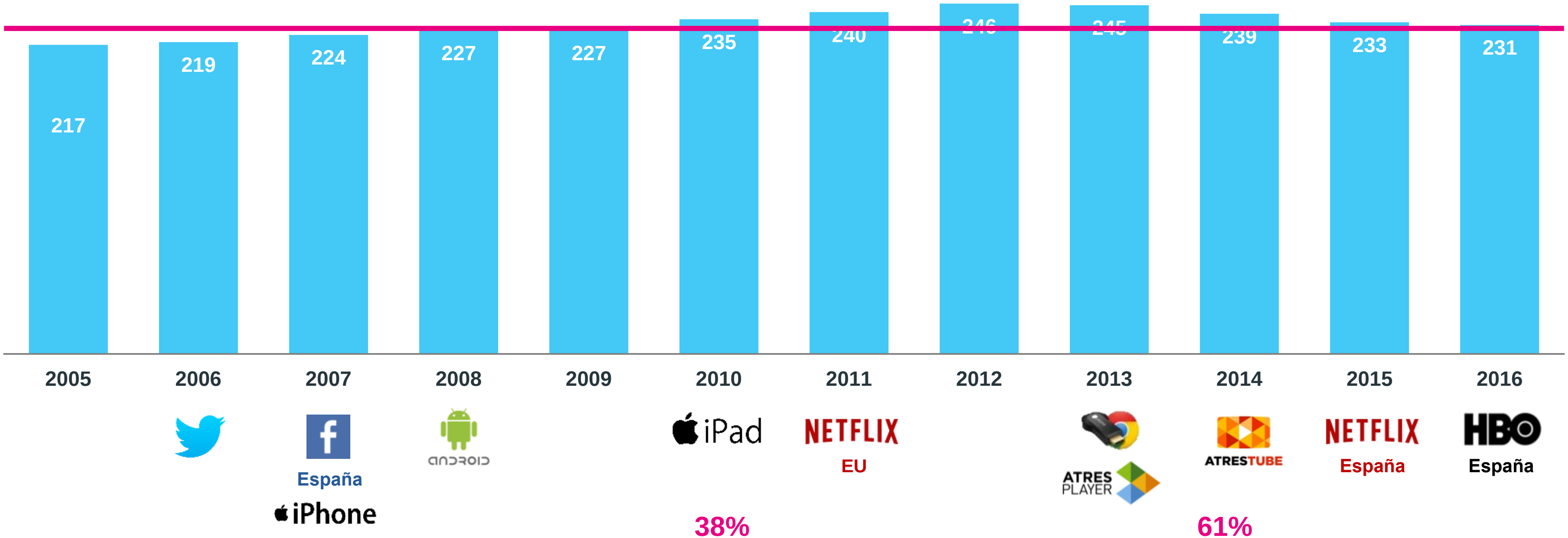
Viewing time increased nearly one hour in the last 18 years

Evolution of viewing time, adults in minutes



Despite a decade of disruption, standard viewing is resilient

Consumption of TV in minutes (Ind. 4+)



38%
Internet access

61%
Internet access

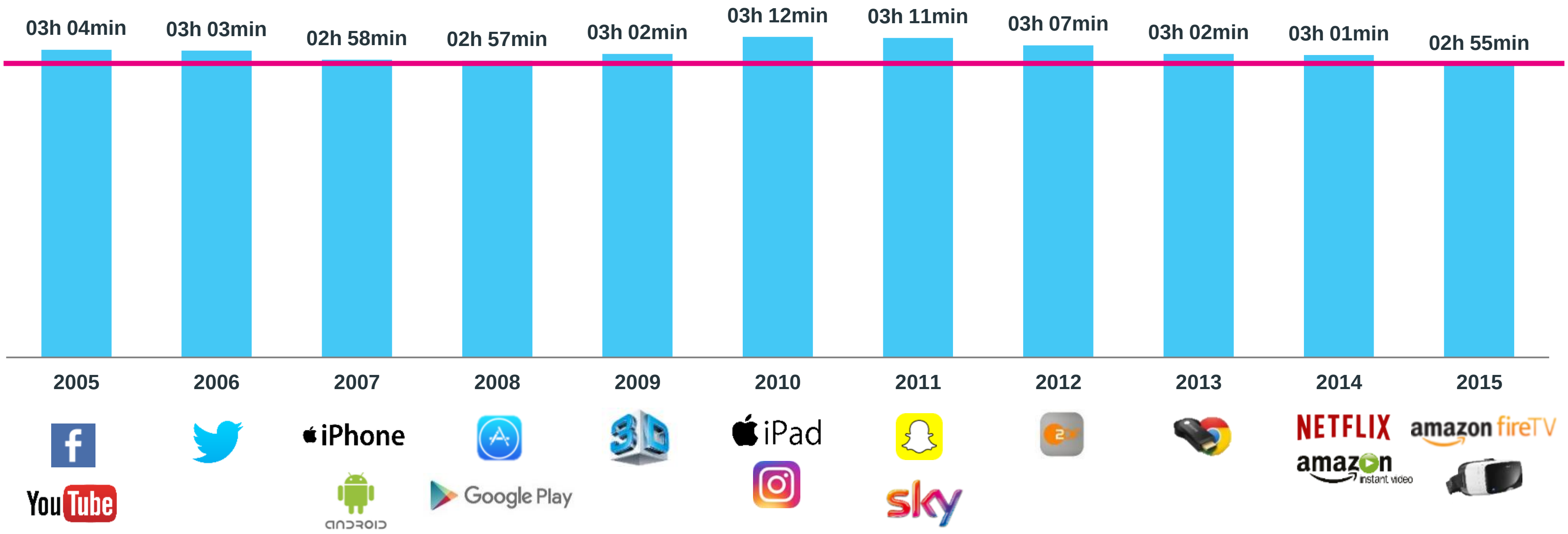
20% Internet access

Source: EGM. Años móviles. Kantar Media. Pyb. Total día. Ind. 4+. TTV.

72% Internet access

Despite a decade of disruption, standard viewing is resilient

Consumption of TV (Ind. 14-49)



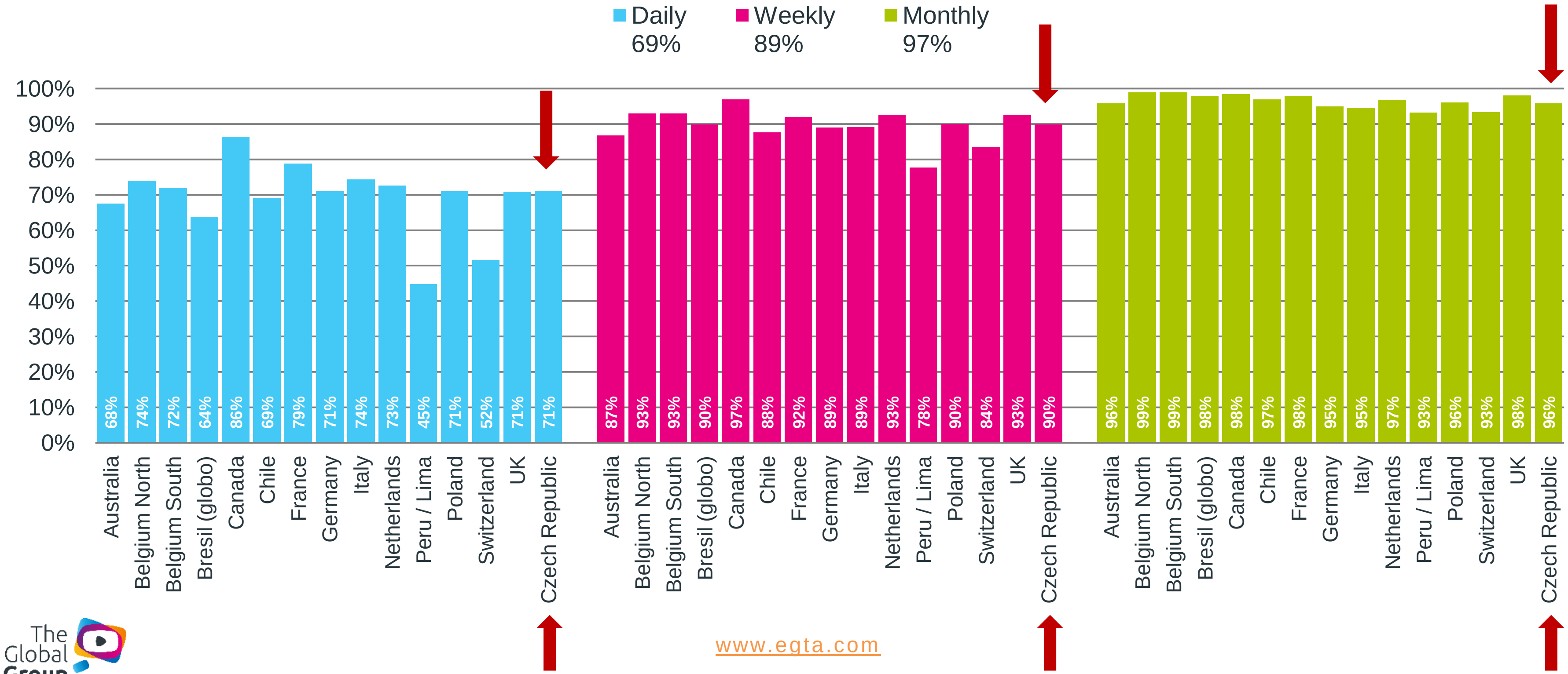
Base: Internet access: A 14-49, TV Usage: A 14-49 J.
Source: AGOF internet facts 2005-IV; AGOF digital facts 2015-12; AGF in collaboration with GfK; TV Scope 6.1, 01.01.2005-31.12.2015; Data finally weighted | SevenOne Media

78% Internet access

95% Internet access

Power of TV :An incomparable reach all over the world

TV reaches in average 70% of a country's population in a day, close to 90% in a week and close to 98% in a month



The Global TV Group

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TV has unbeatable reach

… An extremely high daily, weekly and monthly reach

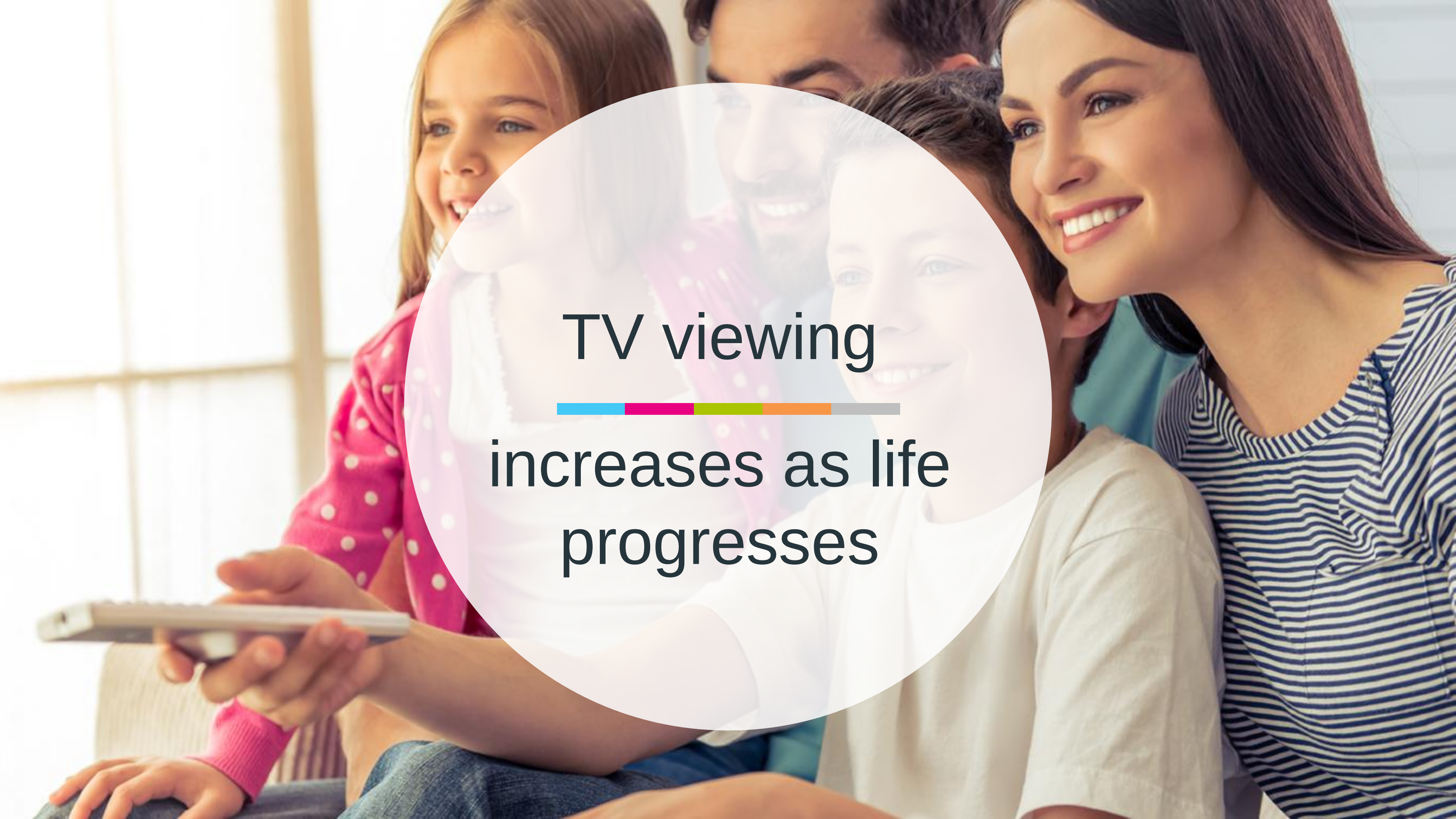
Commercial TV reaches:

71.1% of the population in a **day**

89.9% of the population in a **week**

95.9% of the population in a **month**

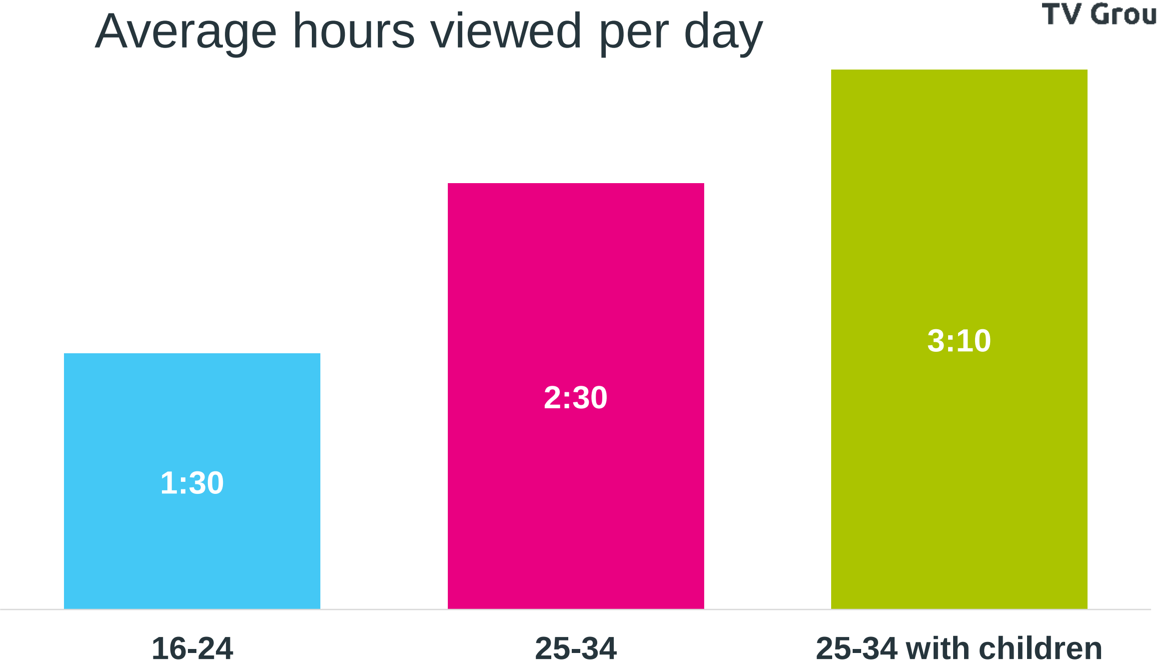
Source: ATO - Nielsen Admosphere, live + TS0-3



TV viewing increases as life progresses

Millenials & TV

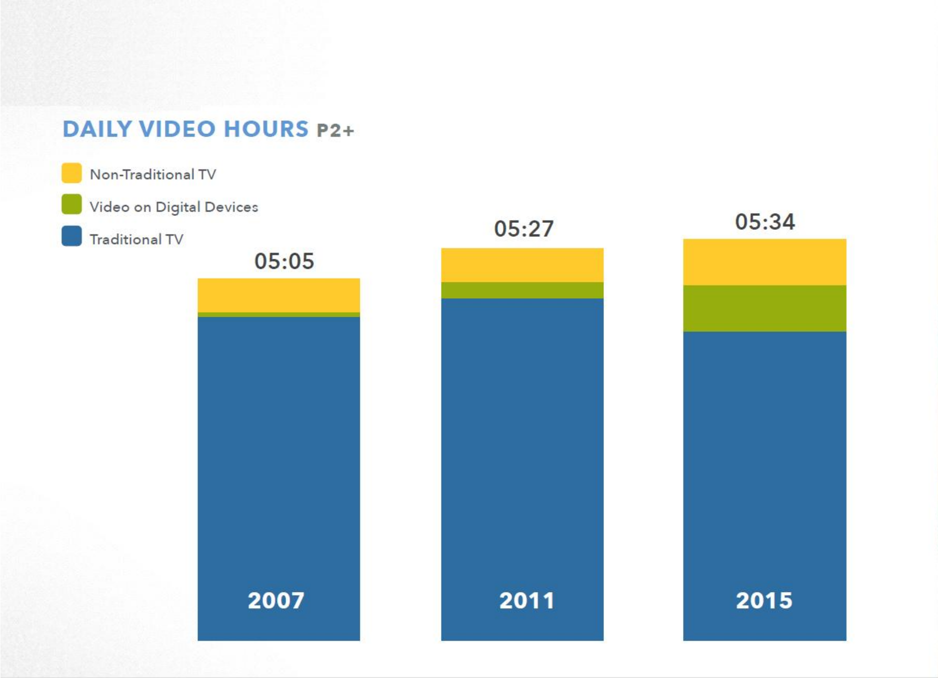
Millennials' TV viewing increases as they get older and have kids

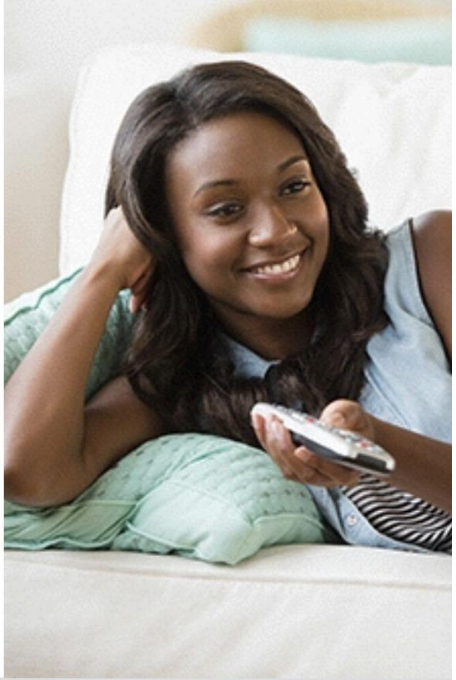


Source: Source: 2016 ATO - Nielsen Admosphere, live + TS0-3. Reach: at least 3 min continuous viewing.

Furthermore, “Video” time continues to grow

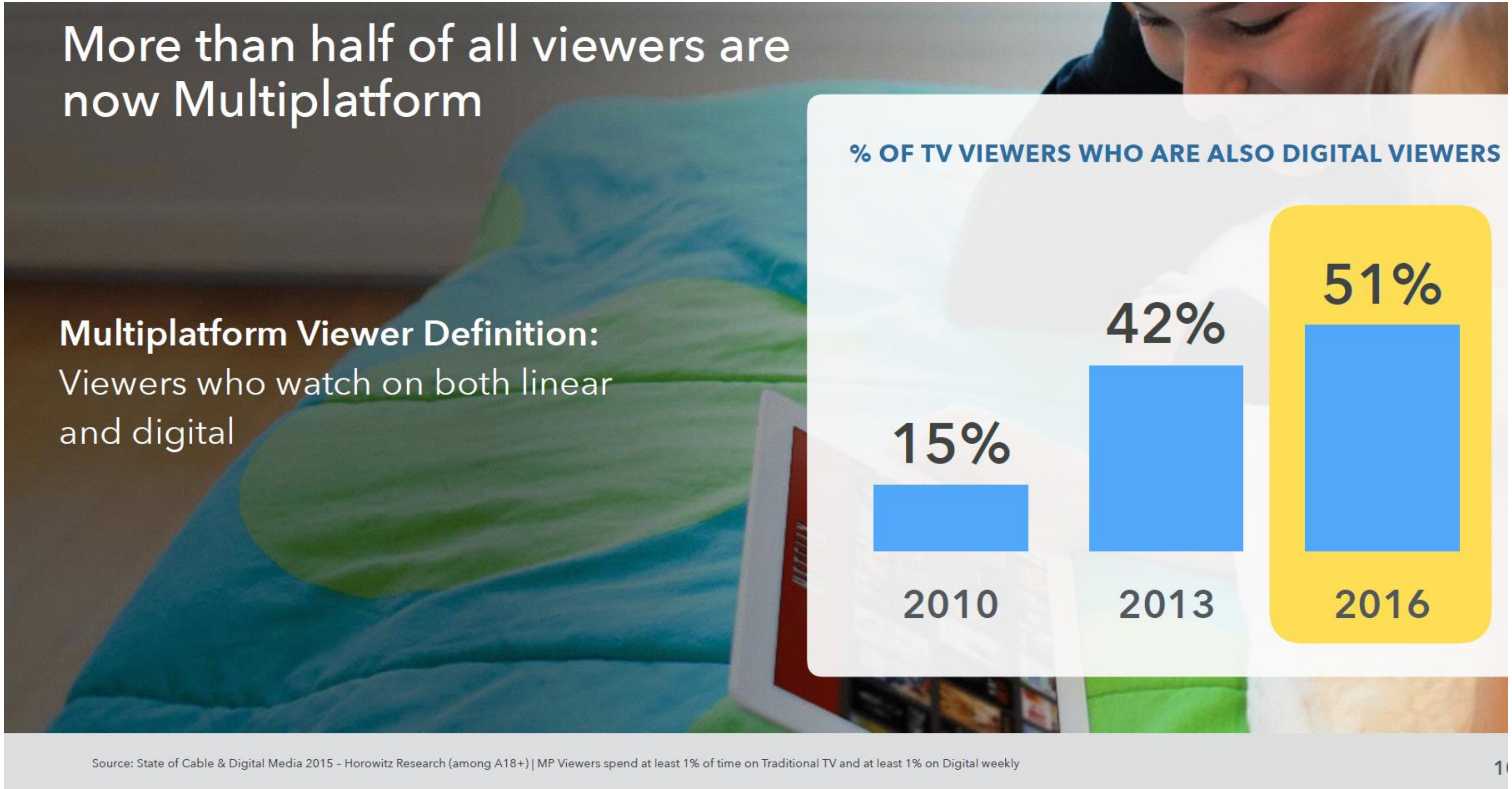
With digital video audiences expected to grow 8.2% in 2017 (Source: eMarketer)



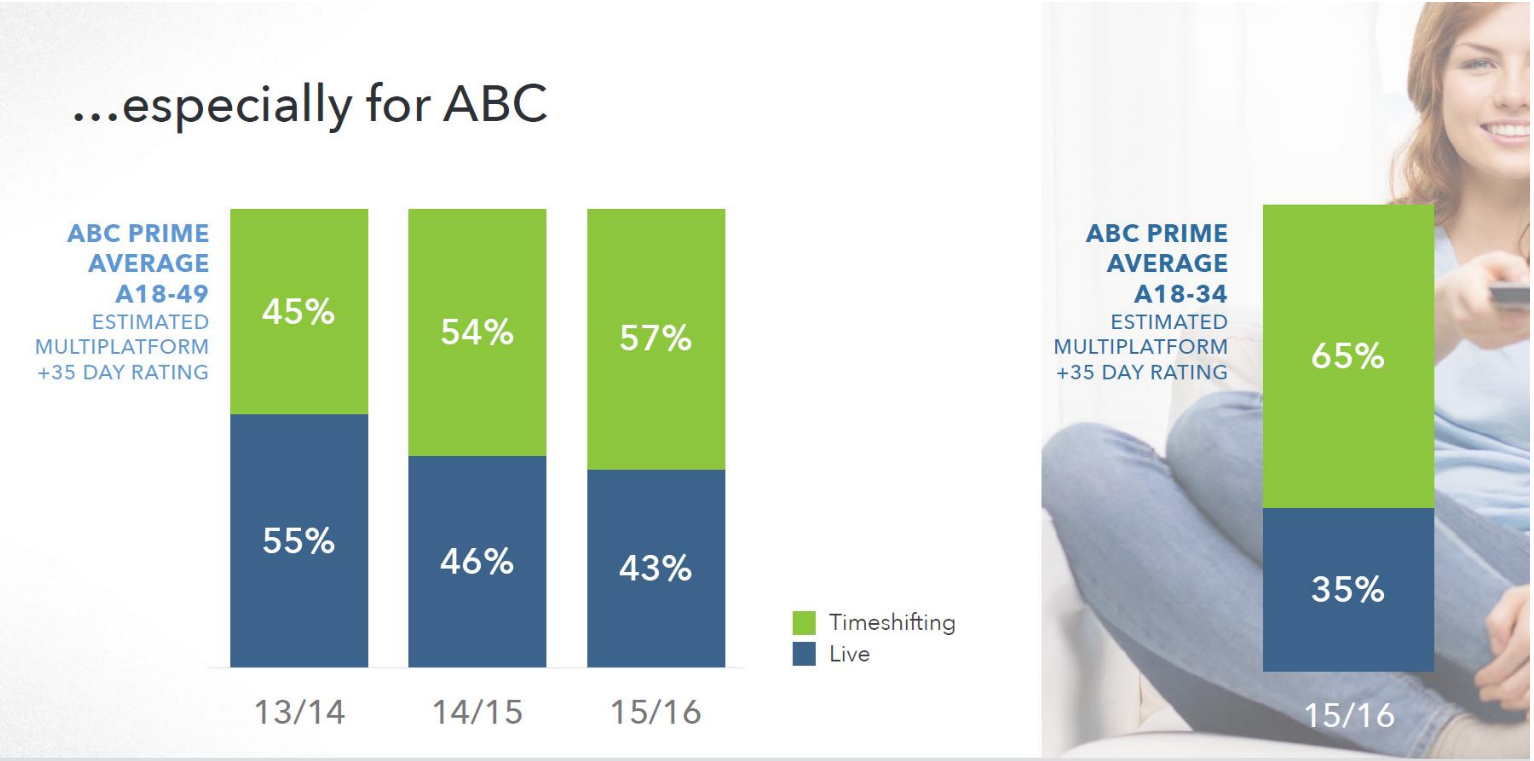


Source: Traditional and Non-Traditional TV figures based on Nielsen, leveled to Total U.S. P2+ population | Video on Digital Devices based on eMarketer time spent with media estimates, Fall 2015; trending for earlier years informed by Nielsen Total Audience Reports and Video Census data

Content matters, screens really do not…



And timeshifting is the “New Normal”



Source: ABC Multiplatform Ratings, A18-49, 9/21/15 – 5/25/16 and comparable dates for other years, includes all telecasts, TV based on Nielsen average audience ratings | Online from Uplynk/Hulu/FreeWheel | VOD Days 8+ from Rentrak | Demos & coviewing (15-16 season only) based on Nielsen, Comscore Video Metrix, and proprietary studies | Based on ad supported viewing through 35 days, DVR to 28 days

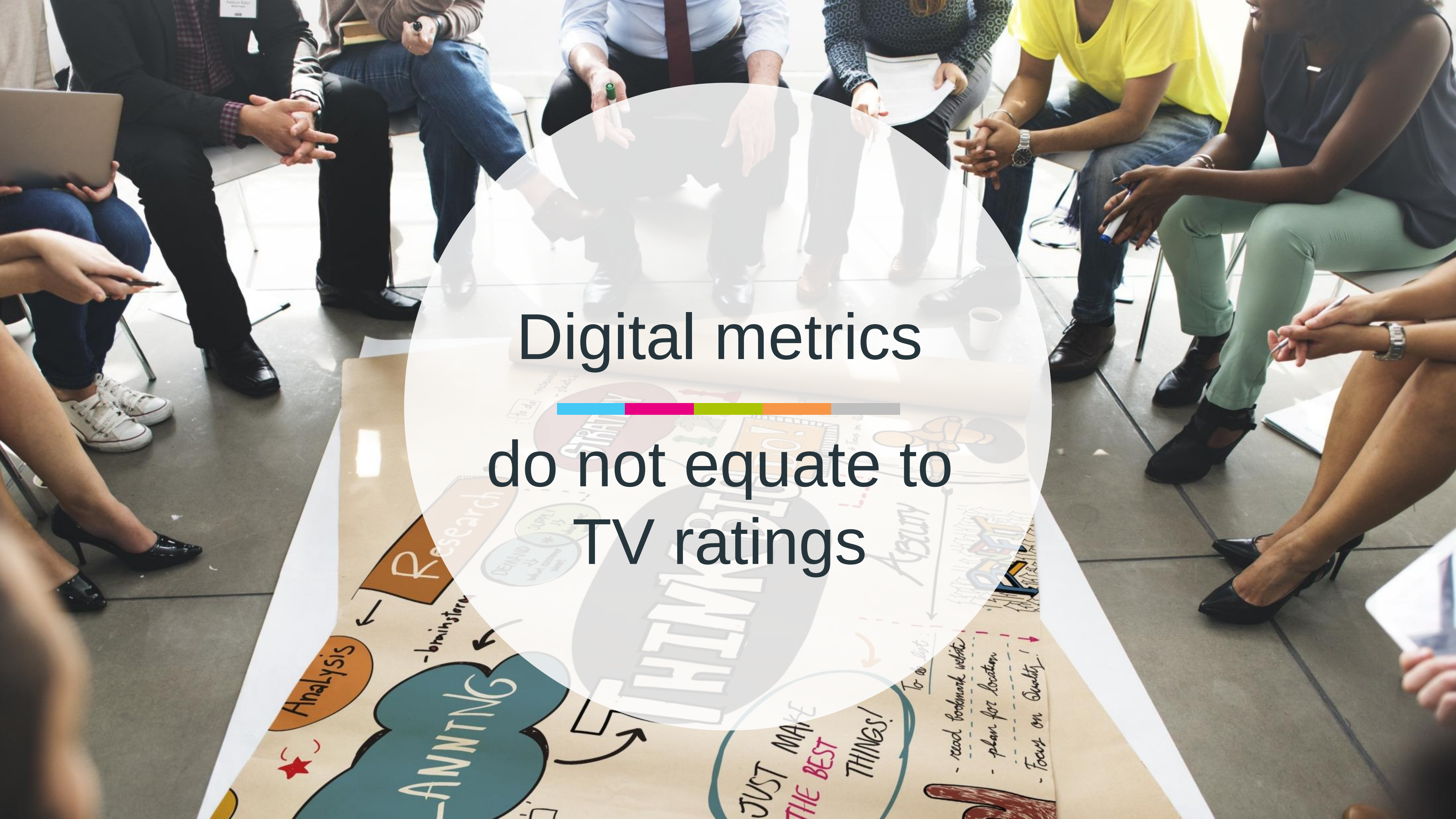
Comparing apples with apples

Restoring some truths:

- Digital metrics do not equate to television ratings
- While video consumption on mobile devices is at an all-time high, in any given minute, 92% of all video consumed by adults 18+ is on television
- In any given minute, 4x as many people are watching multi-screen TV content than the major SVOD services combined
- Millennials watch 4x more ad-supported TV than YouTube
- Nothing drives online traffic like an investment in TV

Digital metrics

do not equate to TV ratings

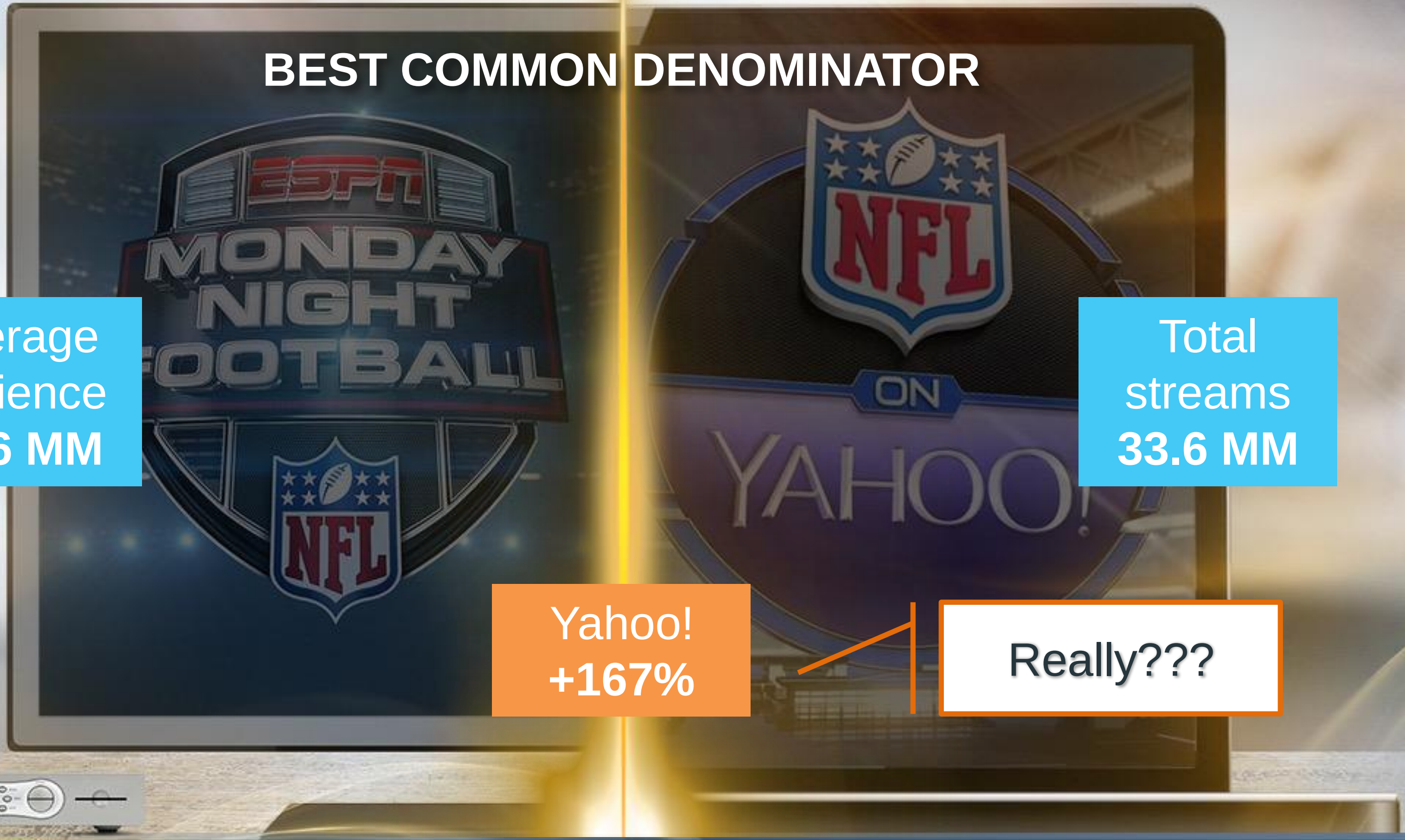


Digital versus Television

Views, Likes, Streams, Uploads, Tweets, Snaps	≠	**Rating** (Average Audience)
Global Stats	≠	**National Audience** (universe)
First Party Unaudited Data	≠	**Third Party Audited Data**
Little/no control over context	≠	**Brand-safe environment**

TOTAL MINUTES

BEST COMMON DENOMINATOR



Average audience
12.6 MM

Total streams
33.6 MM

Yahoo!
+167%

Really???

AVG. AUDIENCE vs. STREAM COUNT

IT'S NOT A SIMPLE COMPARISON

16.6 MM x
212 MINUTES

2.66 B
MINUTES

DOMESTIC
TUNE-IN
AUDITED

33.6 MM x
17 MINUTES

460 MM
MINUTES

GLOBAL
AUTO-START
AUDITED?

MNF
+478%

Views versus Viewers

If views are calculated by cumulatively counting the number of people (or bots) that consume at least 1 second of a piece of content over its entire lifespan – whether the sound is on or off, then…

NBCU Sunday Night Football

has **10 billion views every week**

NB: Only 325 million people live in the US!!

Imagine you have 5 million $...

"You have 5 million $ to invest in a campaign…"

Megan Clarken *President of Product Leadership* Nielsen (Sept. 2017) on the importance of audience delivery

60% go to TV: $3 million

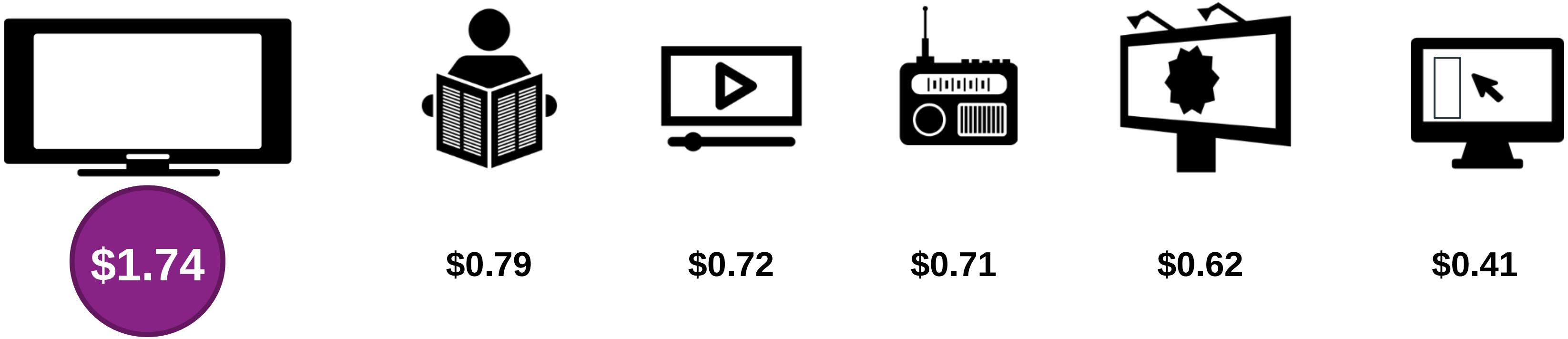
$5 million

40% go to digital: $2 million

- $1,2 million are wasted on *hygiene* issues
- of the remaining 800K, 32% misses the intended audience, **leaving only $544k of the original $2M digital allocation working for you**!

TV generates the most money for advertisers

Sales revenue (ROI) for $1 invested



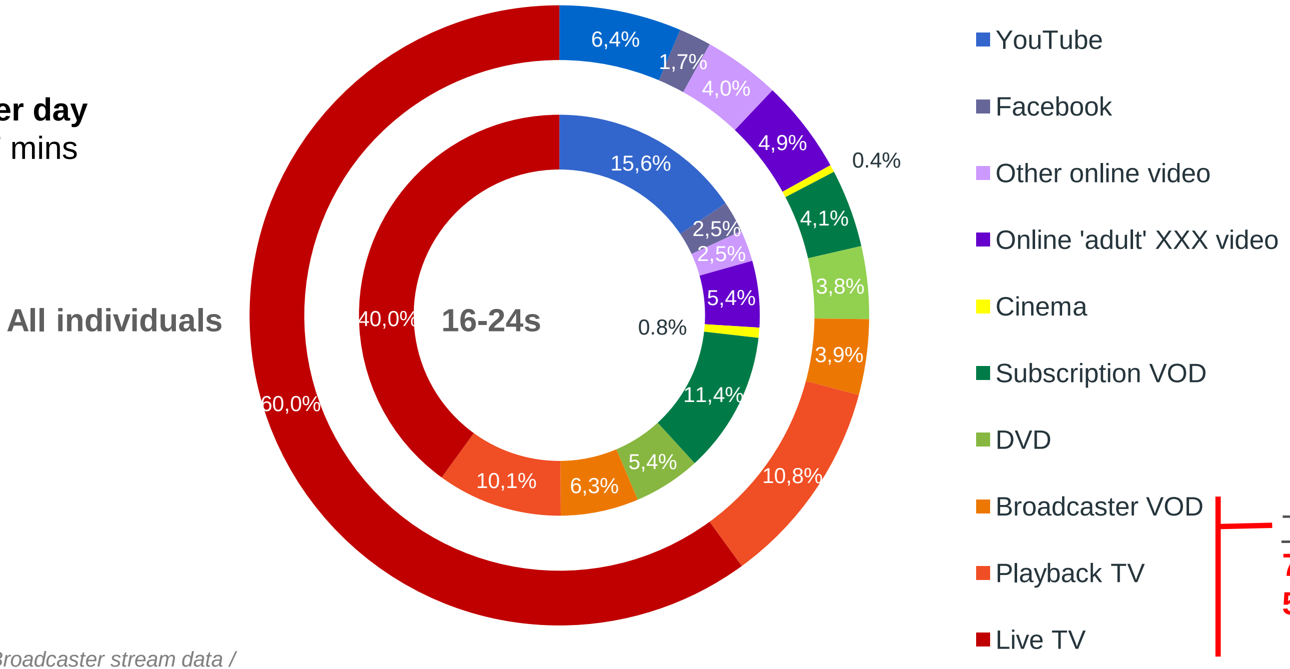
Source: Ebiquity “Payback” Study Wave 1 (FMCG, OTC and Beverages) November 2016

TV dominates the video world

TV accounts for 75% of the video day

TV accounts for the largest share of the video day - 75%

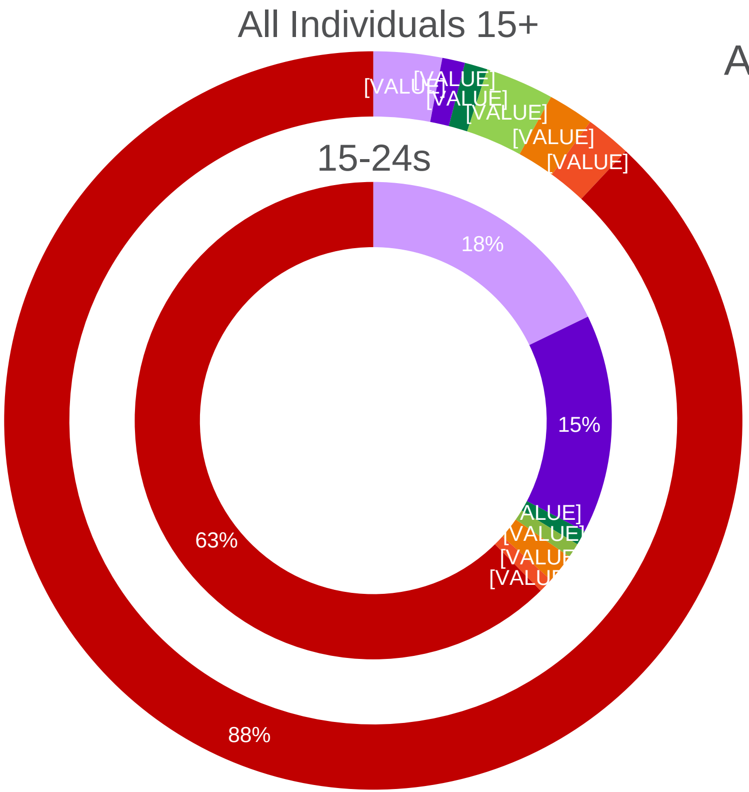
Average video time per day
All Individuals: 4hrs, 37 mins
16-24s: 3hrs, 27 mins



Total Video:
75% for 15+
56,5% for 15-24

Source: 2016, BARB / comScore / Broadcaster stream data / OFCOM Digital Day / IPA Touchpoints 2016 / Rentrak

TV accounts for 92% of video day in Czech Republic



Average video time per day

All Individuals 15+: 235 minutes
15-24s: 140 minutes

- Other online video
- Short form video
- SVOD (paid)
- DVD
- AVOD (free)
- Recorded TV
- Live TV

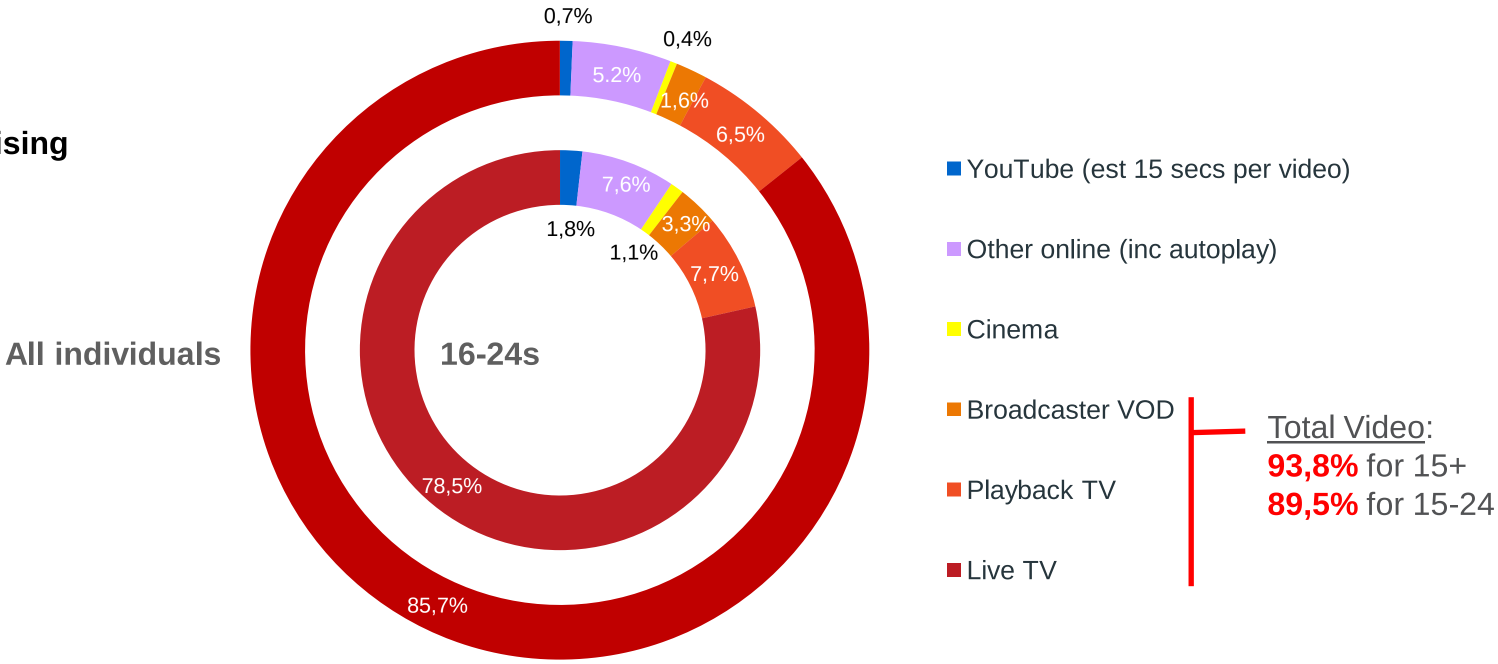
Total Video:
92% for 15+
66% for 15-24

Source: Cross Media Study, ATO - Nielsen Admosphere, 2015 (2 112 respondents, 15+ individuals)

TV accounts for 94% of all video advertising time

TV accounts for 94% of all video advertising time

Average video advertising time per day
All Individuals: 20 mins
16-24s: 30 mins



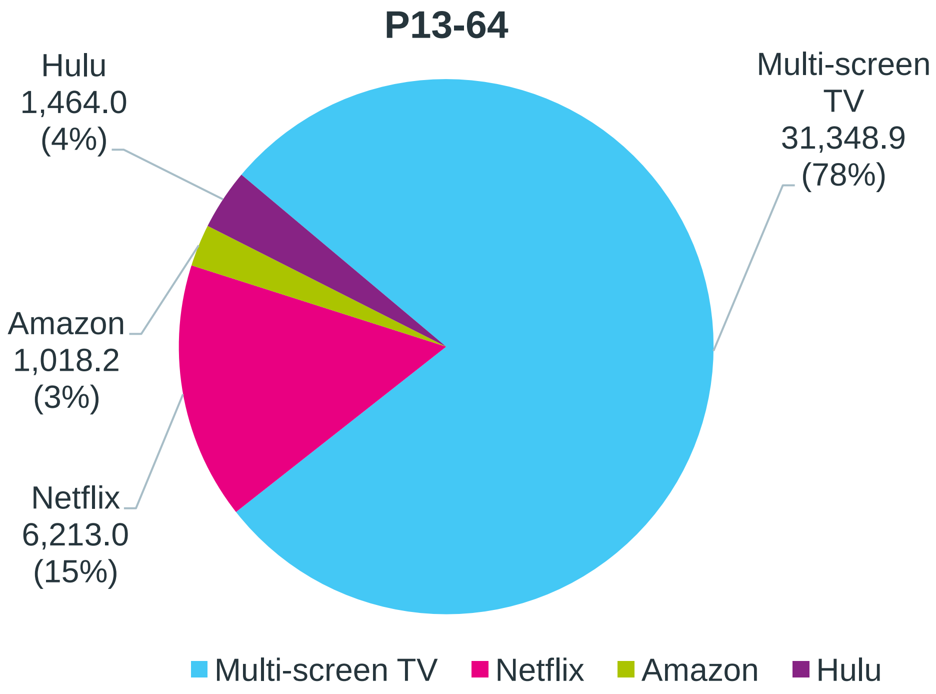
Source: 2016, BARB / comScore / Broadcaster stream data / OFCOM Digital Day / IPA Touchpoints 2016 / Rentrak

In any given minute, 4x as many people are watching multi-screen TV content than the major SVOD services combined

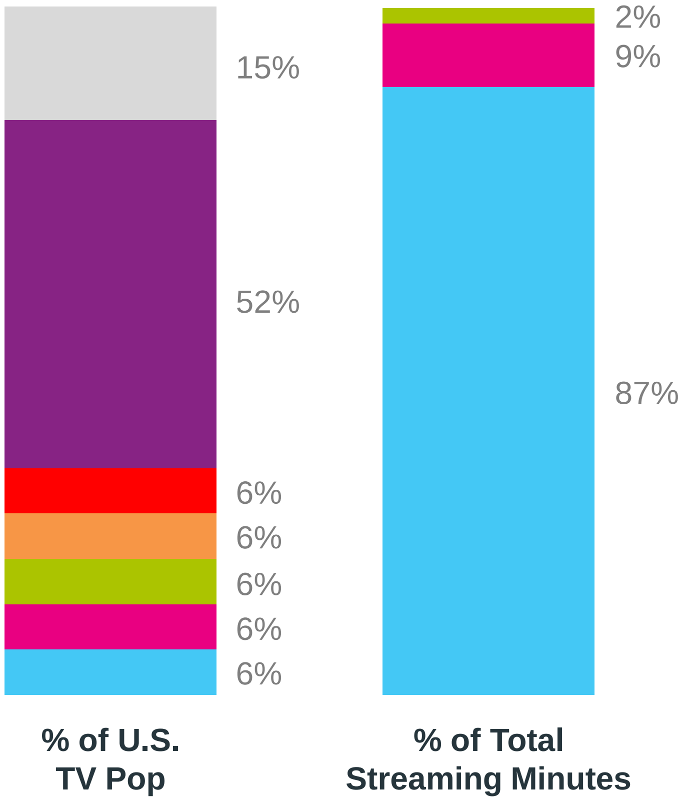
Average Audience (000) During Any Given Minute

Ad-Supported Multi-Screen TV Brands Vs. SVOD Services

Source: VAB analysis of P13-64 SVOD & "TV Everywhere" activity based on monthly estimations of "time spent" and "streaming services usage" from GfK Comparing Streaming Services study, US 2016, data. Basis: March 2016 – 1,007 US consumers, users of streaming video, aged 13-64, interviewed online. TV viewership based on Nielsen NPower R&F Time Period Report, Live+7, Total Day, March 1-31, 2016, P18-34 & P13-64



A Small Group Accounts for the Majority of Streaming



6% of the US TV Population Accounts for 87% of Streaming

Video streamers – Quintile analysis

- Quintile 1 (Heaviest)
- Quintile 2
- Quintile 3
- Quintile 4
- Quintile 5 (Lowest)
- Non-streamers (Internet homes)

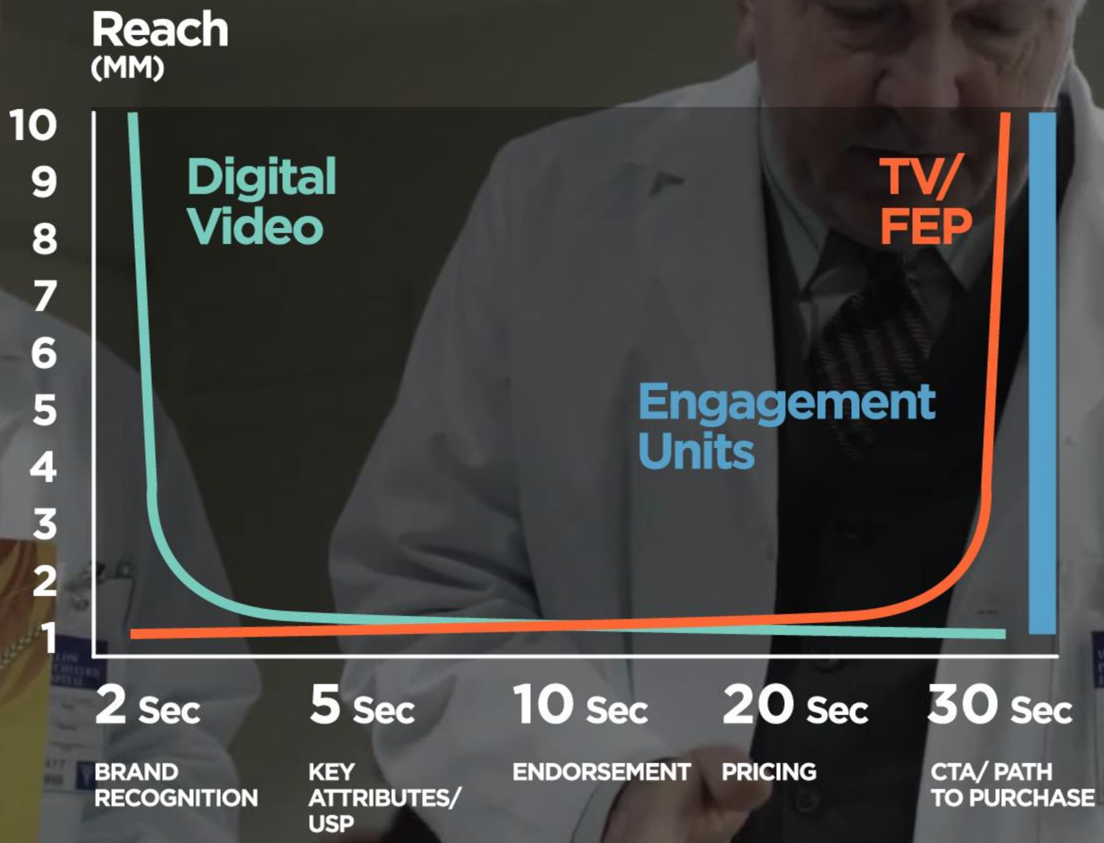
Source: VAB analysis of overall U.S. TV population data coupled with Nielsen Total Audience Report, Q1'16 data on cross-platform homes ranked by in-home streaming behavior. 1/1/16-3/31/16 via Nielsen NPOWER/Cross-Platform Homes Panel for P2+. Streaming based on home PC only. Chart based on "average daily minutes"

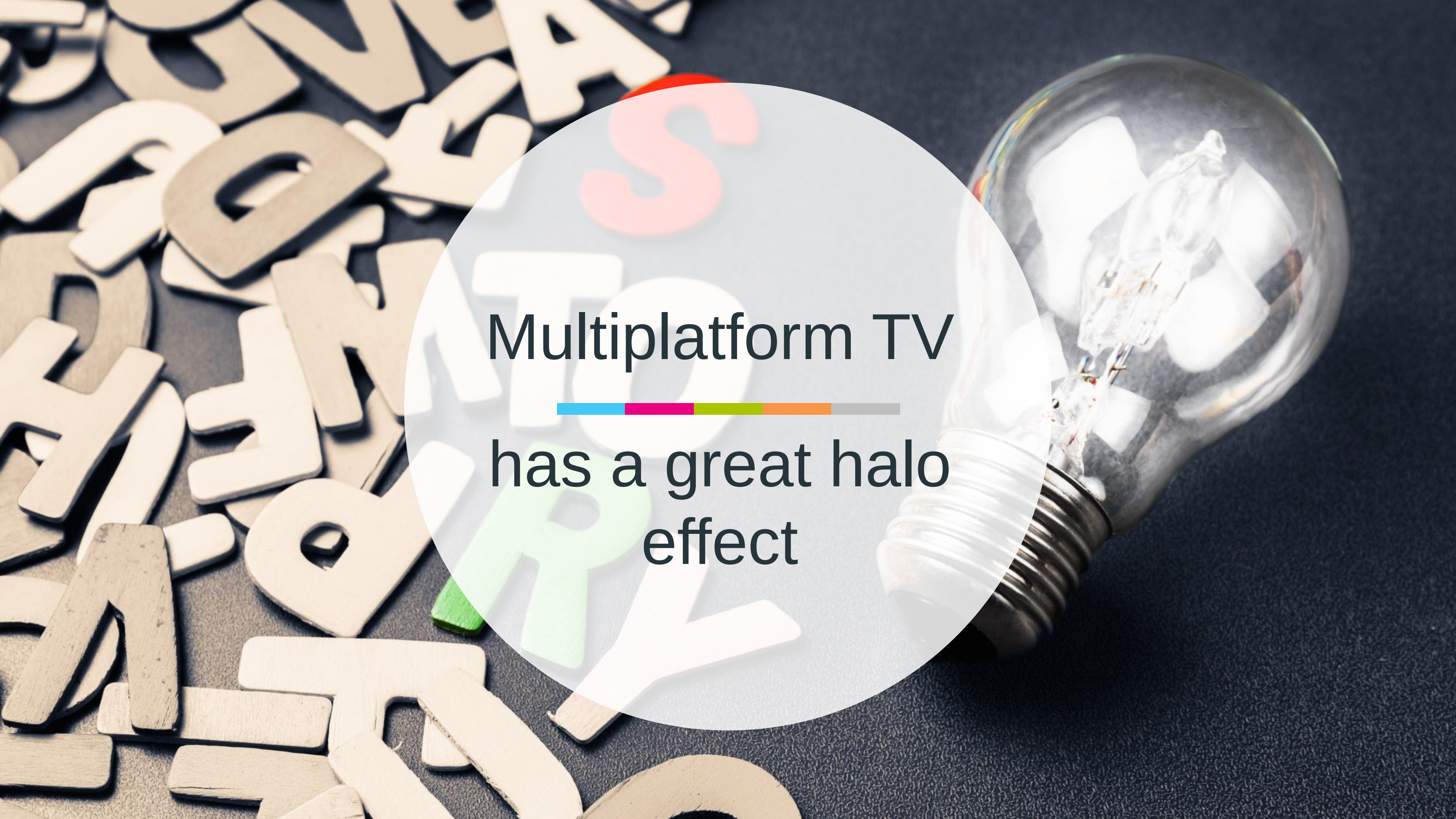
www.egta.com

VIDEO ADVERTISING BUREAU
Premium Multi-Screen TV Content


TV commercials trigger
the greatest engagement

TRUE REACH OF IMPRESSIONS



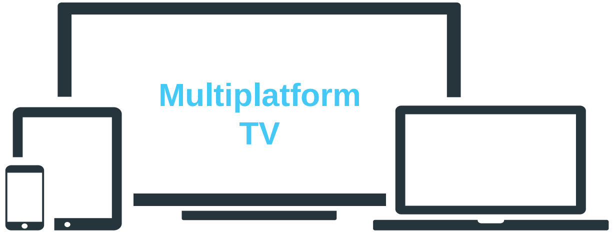

Multiplatform TV
has a great halo effect

Multiplatform TV

accenture
abc

This category encompasses television-type programming consumed across multiple screens

Linear Television + Professionally Produced Long-Form Digital Video



Digital channels considered

Paid search

Display

Short-form video

NOTE - While media channels like print, out-of-home (OOH) and radio were included in our study, our primary emphasis was analyzing Multiplatform TV against paid search, display and short-video

Study findings

1

Multiplatform TV advertising has a significant halo effect

2

Marginal returns for *Digital* diminish rapidly as spend increases

3

Multiplatform TV advertising has a measurable, long-term impact on driving incremental sales

4

Long-form digital video outperforms most types of digital advertising, including short-form video accentureconsulting

PREMIUM VIDEO GENERATES SIGNIFICANTLY HIGHER BRAND ROI vs. SHORT-FORM OR SOCIAL

PREMIUM VIDEO (LINEAR TV + PREMIUM DIGITAL VIDEO)

	VS. SHORT-FORM VIDEO (EXCLUDES PREMIUM SHORT-FORM)	VS. PAID SOCIAL
BRAND AWARENESS	11.6X	4.1X
CONSIDERATION	4.3X	2.5X
PURCHASE INTENT	2.5X	1.8X

Source: Accenture

accentureconsulting

PREMIUM CROSS-PLATFORM WORKS EVEN HARDER

INVESTING ACROSS PLATFORMS (TV, LONG-FORM AND SHORT-FORM DIGITAL VIDEO, SOCIAL) WITH A SINGLE PREMIUM PUBLISHER IMPROVES ADVERTISING EFFECTIVENESS

CROSS-PLATFORM ADVANTAGE

VS.

SILOED PLANNING

BRAND LIFT

SALES LIFT

Source:Accenture

KEY INSIGHTS

- ADVERTISING IN PREMIUM VIDEO DELIVERS SIGNIFICANTLY GREATER ROI THROUGHOUT THE PATH-TO-PURCHASE
- CROSS-PLATFORM INVESTMENT WITH A SINGLE PREMIUM PUBLISHER YIELDS GREATER CAMPAIGN IMPACT THAN SILOED MEDIA PLANNING
- PREMIUM VIDEO DELIVERS THE BEST VALUE FOR YOUR NEXT MEDIA DOLLAR
- SHORT-FORM AND SOCIAL REACH SATURATION AT LOW INVESTMENT LEVELS

Source: Accenture

VAB report

"The 5 largest tech disruptor companies, i.e., *Facebook, Amazon, Apple, Netflix, and Google*, collectively spent nearly **$1.4 billion on TV** advertising in 2016"

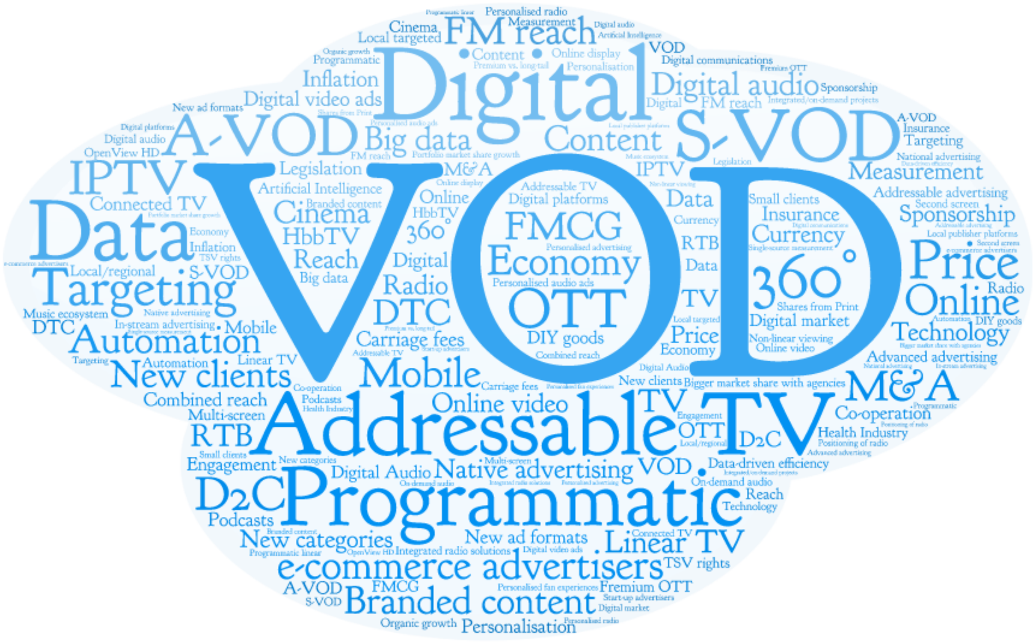
So the good news is: TV is not dying,
TV is THRIVING!

You know it and we know it!

TV's premium video at scale is the part of your ad spend you know works!

egta. ceo’s survey - May 2017

What, in your opinion, are the two greatest areas of potential growth for the next three years?



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Some tips for more information

Useful links

- [Link to egtabites]
- [Link to TV scoop.it board]
- [Link to WTD testimonials]
- [Link to fun facts about TV]
- [Link to Accenture study – ABC]
- [Link to Accenture study – NBC]
- www.theglobaltvgroup.com
- www.egta.com

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