



## Marketer FAQs

**Can I prove TV has a measurable financial impact on my business?**



# “ What KPIs can TV advertising deliver to drive financial success for my brand? ”

This is a question many business owners and marketers ask.

Through VAB’s decade-long studying of what drives business outcomes, we explore how each stage of the purchase funnel contributes to the financial impact of successful brands and how TV advertising aids in driving these results.

You’ll learn:

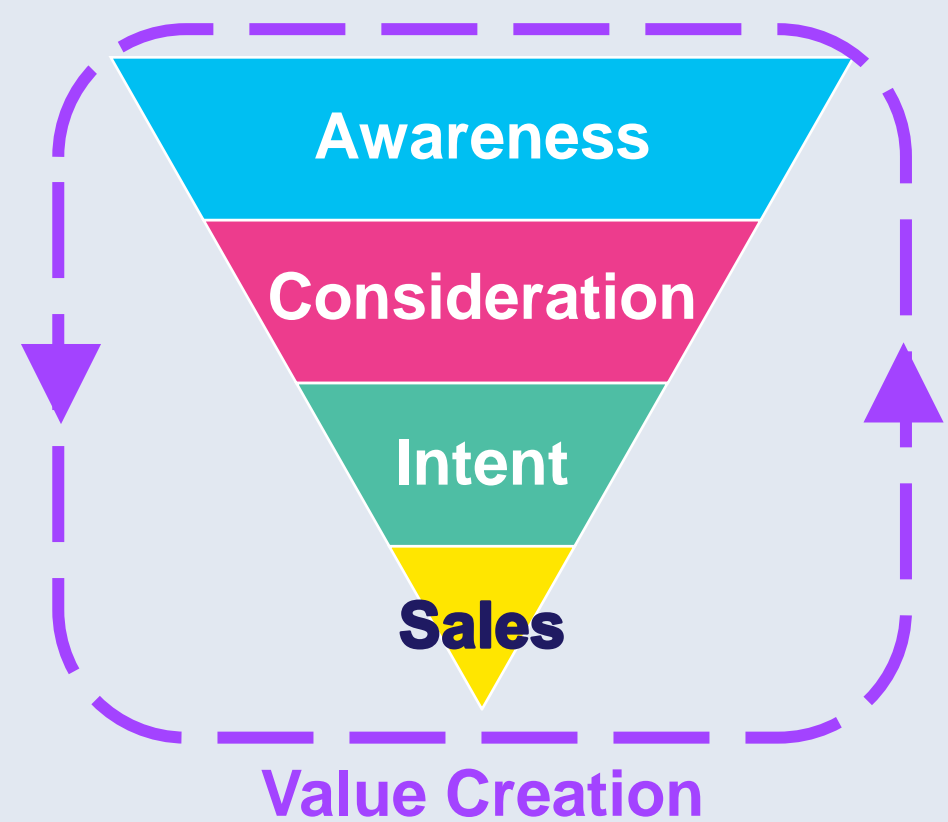
- ▶ How TV campaigns drive upper-to-mid funnel metrics like awareness, brand reputation and consideration
- ▶ How TV campaigns impact lower funnel metrics like website visits, sales and share of market
- ▶ How results achieved across the purchase funnel drive capital investment and company valuations

VAB has studied **hundreds of brands across categories** to understand the effect TV campaigns have on each stage of the purchase funnel

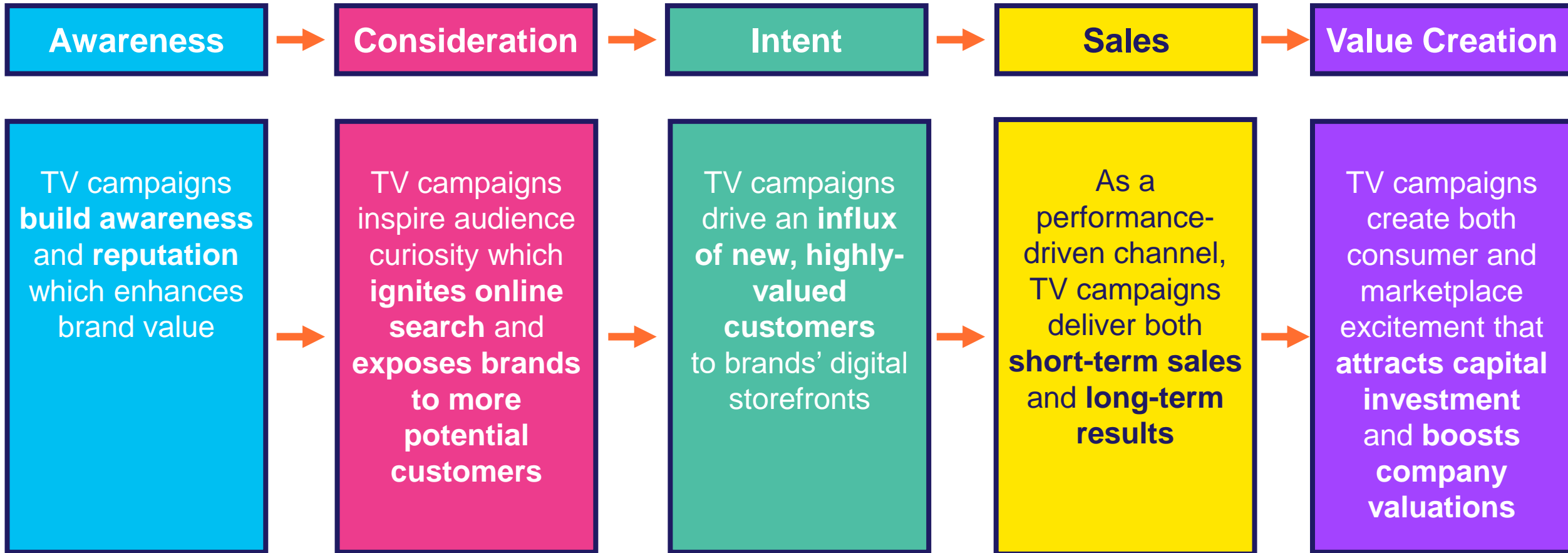
Sampling of Brands Analyzed



Purchase Funnel



# TV campaigns ultimately **impact the financial success of brands across each stage** of the purchase funnel and beyond



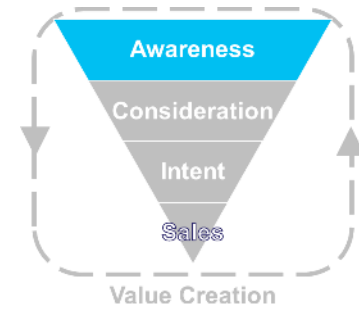
## Awareness

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TV campaigns **build awareness and reputation** which enhances brand value



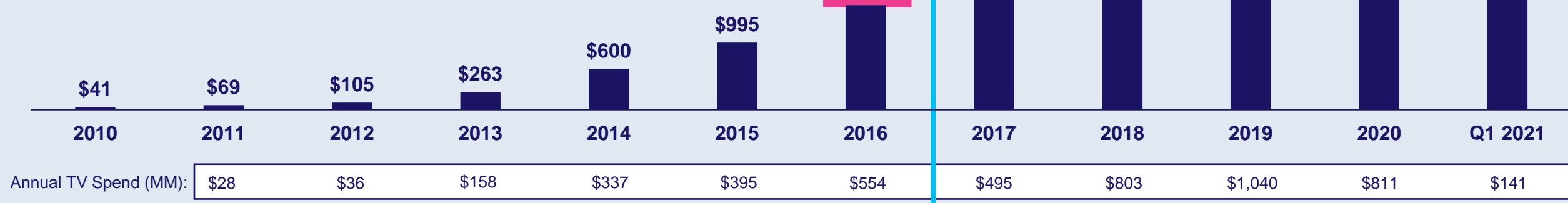
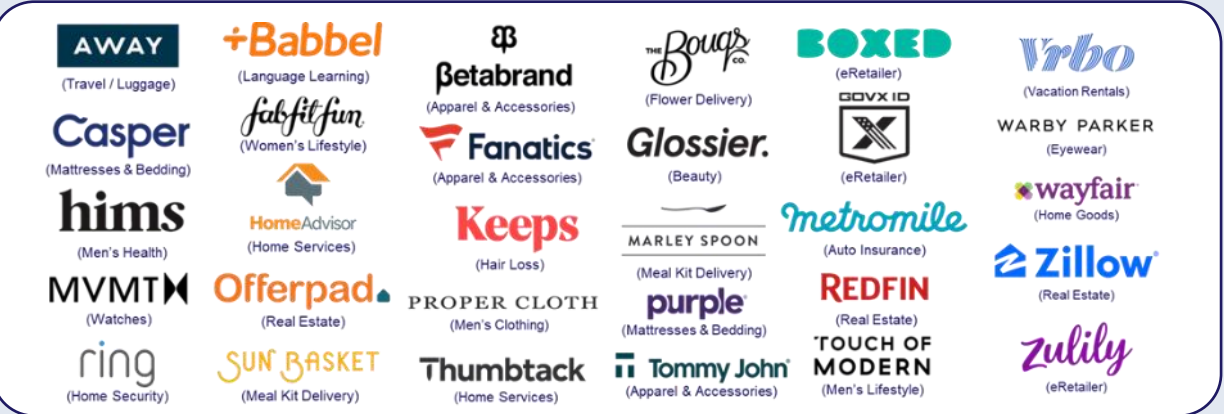
# Continued TV re-investment over multiple years has turned many disruptor brands into 'names people know'



## 30 'Direct-to-Consumer' Brands: Total Rolling Cume TV Spend

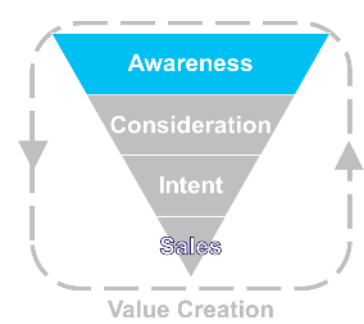
(\$ in millions, spending aggregated across years within time period)

+3X



Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q1 2021
Annual TV Spend (MM):	\$28	\$36	\$158	\$337	\$395	\$554	\$495	\$803	\$1,040	\$811	\$141	

Sources: VAB analysis of Nielsen Ad Intel data, CY 2010 – Q1 2021. TV spend includes national broadcast TV, cable TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV. Reflects the total annual TV spend across the 30 brands analyzed. Cume TV spend = the rolling totals aggregated across each year. **TV spend reflects a 31% compound annual growth rate (CAGR) of cume TV spend between calendar years 2016 – 2020 (i.e., mean annual growth of TV spend across the time period).**

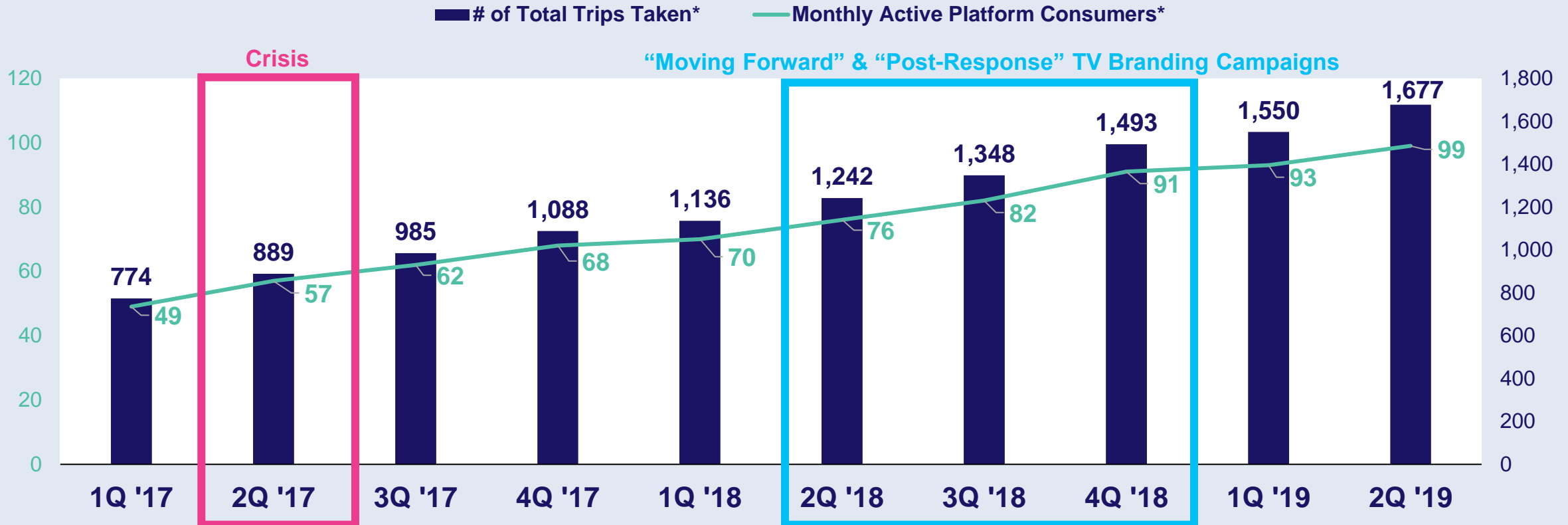


# Uber's 'Moving Forward' TV campaign successfully re-built their reputation after a series of company crises

▶ After a quarter of low growth with active users (+3%) and total trips taken (+4%), Uber's "Moving Forward" campaign and the branding campaign that immediately followed, helped spur an average +10% growth in both users and trips over the next three quarters

Uber

Uber  
(in millions)



\*Note: Represents global figures since U.S. breakout is not available within Uber 10-Q filings, however U.S. accounts for 89% of Uber's revenue growth per 10-Q (8/9/19) so a similar trend line would be expected between Global & U.S.

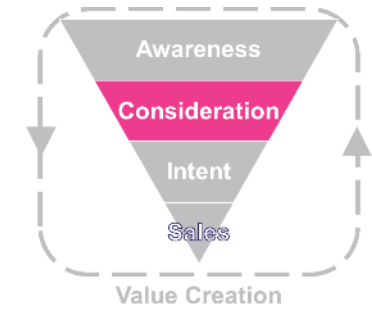
Source: Uber 10-Q filings via SEC.gov (EDGAR)

## Consideration

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TV campaigns inspire audience curiosity which **ignites online search** and **exposes brands to more potential customers**



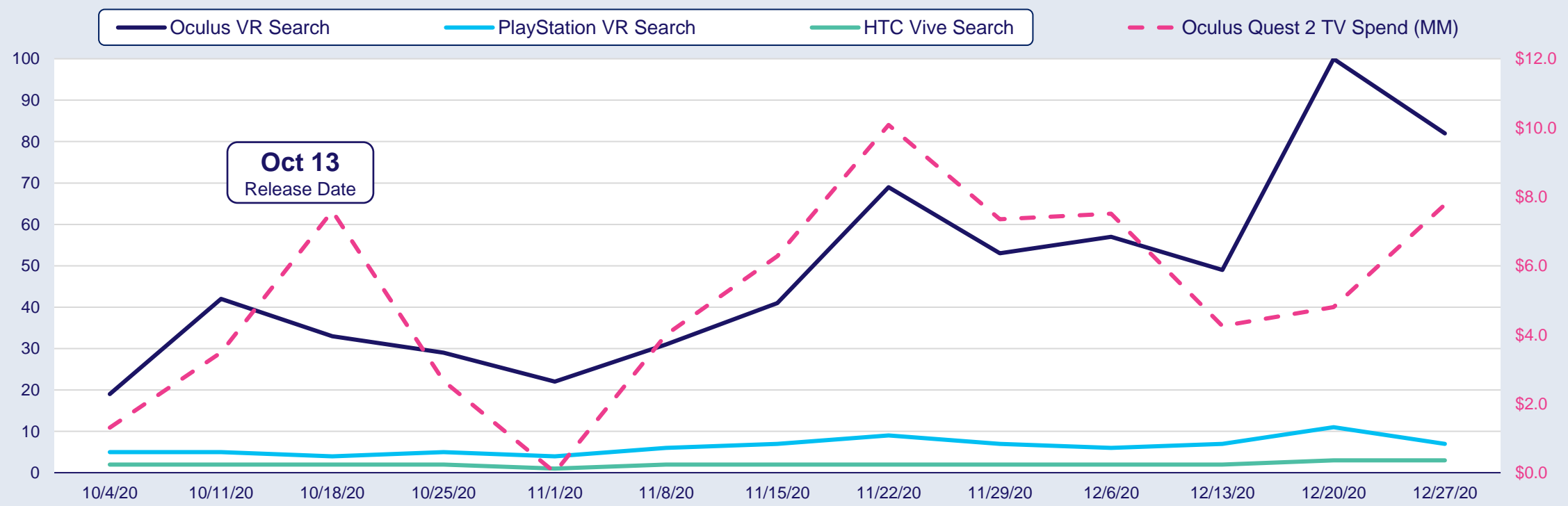


# Meta's Oculus Quest 2 TV launch campaign drove search queries, dominating VR category SOV

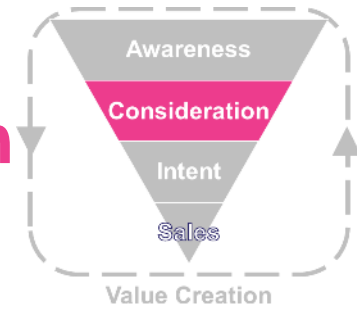
► Meta's Oculus Quest 2 led category search queries with their share of voice (SOV) advantage in the VR category: \$67 MM in 4Q '20 TV spend vs. no spending by its competitors



**Weekly Google Search Trend Indices & Total U.S. TV Spend**  
2020



Source: VAB analysis of Nielsen AdIntel, 10/4/20-1/1/21, TV spend includes cable TV, broadcast TV, Spanish language cable TV, Spanish language broadcast TV, spot TV, and syndicated TV. U.S. TV spend only; VAB analysis of Google Trends, United States only, All Categories, Web Search, 10/4/20-1/1/21, SOV = Share of voice. \*Google Search Index represents search interest relative to the highest point on the chart for the given region and time period, a value of 100 is the peak popularity for the term, a value of 50 means that the term is half as popular.



TV campaigns expose brands to new audiences which **delivers an influx of fresh, high-valued customers** with more spending power

**Unique Website Visitors Composition Shift**  
**30 Direct-to-Consumer Brand Average**  
 1Q '21 vs. 1Q '17 (Monthly Avg)



**Median Age**

**+6.7**  
years

**49.9 vs 43.2**  
1Q '21 vs 1Q '17\* monthly average

30-Brand Cume TV spend between 2010-2016: **\$1.5B**



**P50+ Comp %**

**+14.1**  
percentage points

**52% vs 38%**  
1Q '21 vs 1Q '17\* monthly average

30-Brand Cume TV spend between 2010-1Q 2021: **\$4.8B**

**30 DTC Brands Analyzed**

<b>AWAY</b> (Travel / Luggage)	<b>+Babbel</b> (Language Learning)	<b>betabrand</b> (Apparel & Accessories)
<b>Casper</b> (Mattresses & Bedding)	<b>fabfitfun</b> (Women's Lifestyle)	<b>Fanatics</b> (Apparel & Accessories)
<b>hims</b> (Men's Health)	<b>HomeAdvisor</b> (Home Services)	<b>Keeps</b> (Hair Loss)
<b>MVMTM</b> (Watches)	<b>Offerpad</b> (Real Estate)	<b>PROPER CLOTH</b> (Men's Clothing)
<b>ring</b> (Home Security)	<b>SUN BASKET</b> (Meal Kit Delivery)	<b>Thumbtack</b> (Home Services)
<b>the Bouqs Co.</b> (Flower Delivery)	<b>BOXED</b> (eRetailer)	<b>Vrbo</b> (Vacation Rentals)
<b>Glossier.</b> (Beauty)	<b>GOVX ID</b> (eRetailer)	<b>WARBY PARKER</b> (Eyewear)
<b>MARLEY SPOON</b> (Meal Kit Delivery)	<b>metromile</b> (Auto Insurance)	<b>wayfair</b> (Home Goods)
<b>purple</b> (Mattresses & Bedding)	<b>REDFIN</b> (Real Estate)	<b>Zillow</b> (Real Estate)
<b>Tommy John</b> (Apparel & Accessories)	<b>TOUCH OF MODERN</b> (Men's Lifestyle)	<b>zulily</b> (eRetailer)

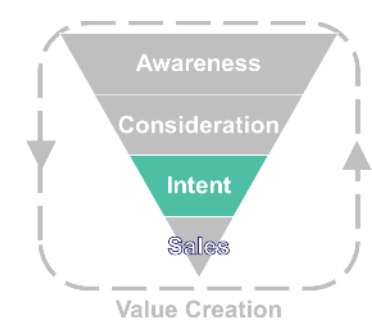
Source: VAB analysis of Comscore mediаметrix multiplatform media trend data, P18+. 1Q '17: January – March '17, 1Q '21: January – March '21 (calendar months), monthly average within each quarter, P50+ comp% is based on monthly unique visitors; figures are based on monthly averages for each 3-month time period across the 30 brands analyzed. \*1Q '17 (Jan-Mar '17) is reflective of the first 3-month measurement period available and is inclusive of a few brands that were first measured after this time period, based on their first 3-month measurement period. Note: Comscore did not begin measuring 'median age' as a reported metric until February '17, therefore the first time period reflects Feb-Apr '17.

Intent

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TV campaigns drive an **influx**  
of **new, highly-valued customers**  
to brands' digital storefronts

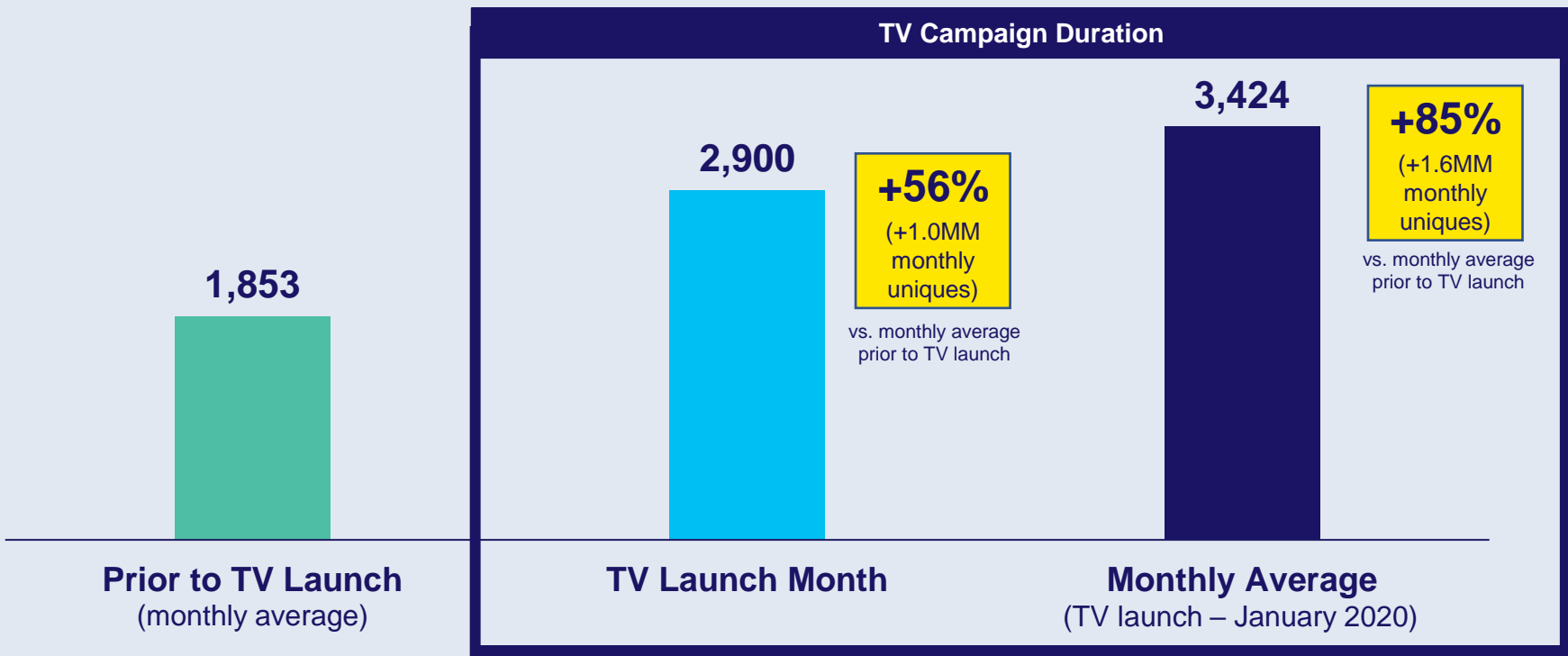




# After TV launch, brands see a surge of new customers to their websites, with continued lifts through their campaign

## 36 'Emerging' Direct-to-Consumer (DTC) Brands\*

Average Monthly Website Unique Visitors (000)  
Based Over a Four-Year Time Period: Jan '16 – Jan '20

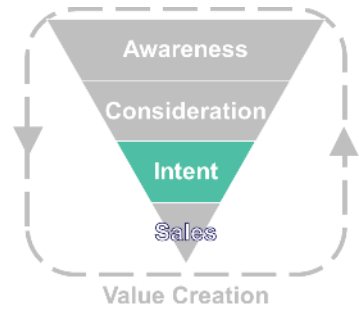


### 36 DTC Brands Analyzed

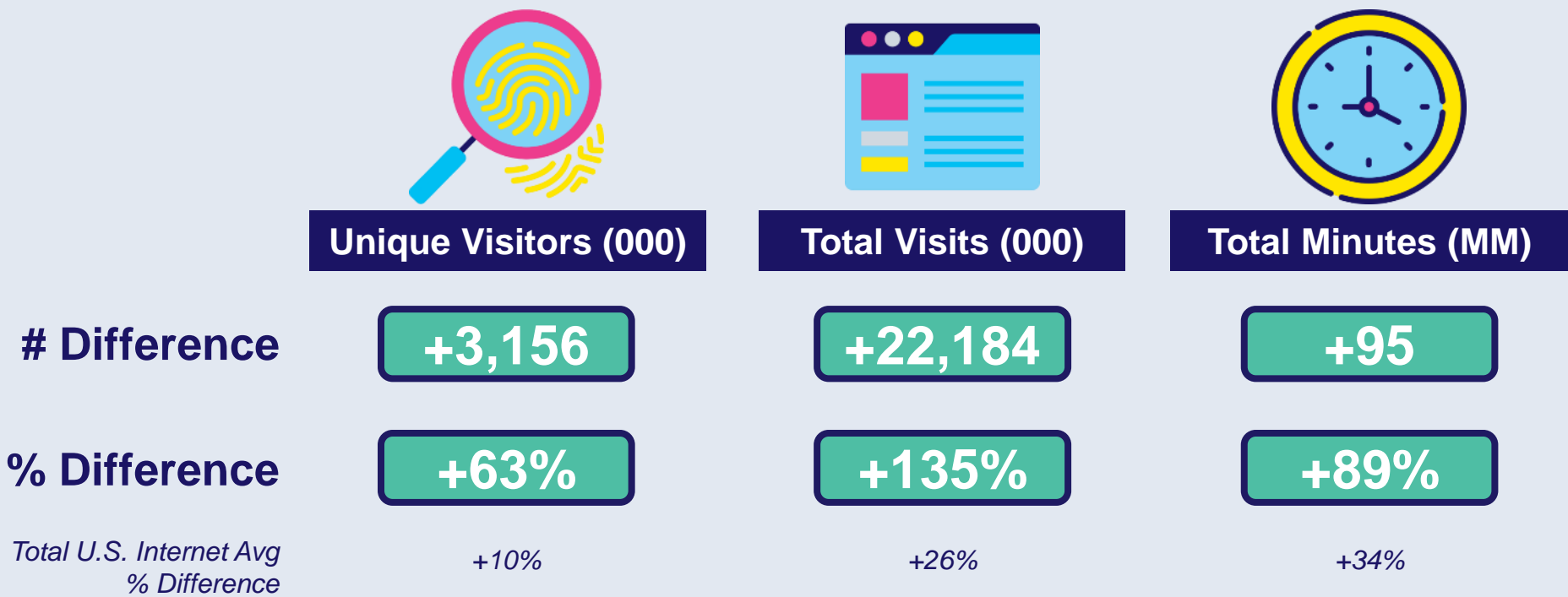
A grid of logos for 36 DTC brands analyzed. The brands include: DOORDASH, Dave, Rakuten, singlecare, FELIWAY, Health IQ, thezebra, LOLA, SeatGeek, Hinge, honey, BUTCHER BOX, Grove, SHIPT, ModCloth, Ritual, POSTMATES, ROTHY'S, Expensify, robinhood, TECOVAS, Kabbage, CASETiFY, Upwork, Life360, servicenow, nixplay, redbox, SIMPLE HABIT, CLEAR, pray.com, ARTICLE, SCRIBD, and classpass.

Source: VAB analysis of Nielsen Ad Intel data, TV spend (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV), Feb '18 – Jan '20 (calendar months). VAB analysis of Comscore mediametrix multiplatform media trend data, total audience (Desktop P2+, Mobile 18+), Jan '16 – Jan '20 (calendar months). 'Prior to TV Launch' reflects the average monthly unique visitors based on when each brand's website began being measured by Comscore, or starting from January 2016 if measurement began before that month. \*Reflects the 36 brands that are measured in Comscore and had reported monthly unique visitors in at least one month prior to their campaign launch.

# TV campaigns drive digital platform engagement with high-value customers who are more likely to become repeat visitors



## Key Website Metrics: 30 Direct-to-Consumer Brand Average 1Q '21 vs. 1Q '17\*: Monthly Avg Comparison



### 30 DTC Brands Analyzed

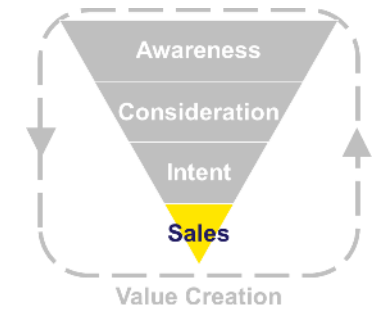
Source: VAB analysis of Comscore mediаметrix multiplatform media trend data, P18+. 1Q '17: January – March '17, 1Q '21: January – March '21 (calendar months), figures are based on monthly averages for each 3-month time period across the 30 brands analyzed. \*1Q '17 (Jan-Mar '17) is reflective of the first 3-month measurement period available and is inclusive of a few brands that were first measured after this time period, based on their first 3-month measurement period. 30 brands total TV spend (between 1Q '17 – 1Q'21): \$3.3B.







## Sales

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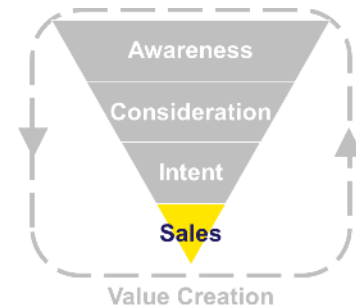
As a performance-driven channel,  
TV campaigns deliver both **short-term  
sales** and **long-term results**








# TV is the catalyst for short-term business results, igniting revenue growth for brands in the year of their first TV campaign

<u>Company</u>		<u>Year Prior to TV</u>	<u>TV Launch Year</u>	<u>YoY Diff</u>	<u>%</u> =revenue increase after launching TV
 (TV launch: 2018) Founded in 2005	TV Spend (000):	---	\$7,662	+\$7,662	
	Revenue (000):	\$317,755	\$425,841	+\$108,086	+34%
 (TV launch: 2018) Founded in 2013	TV Spend (000):	---	\$10,548	+\$10,548	
	Revenue (000):	\$48,000	\$150,000	+\$102,000	+213%
LE TOTE (TV launch: 2017) Founded in 2012	TV Spend (000):	---	\$3,438	+\$3,438	
	Revenue (000):	\$100,000	\$150,000	+\$50,000	+50%
 (TV launch: 2017) Founded in 2011	TV Spend (000):	---	\$535	+\$535	
	Revenue (000):	\$50,000	\$100,000	+\$50,000	+100%
 (TV launch: 2017) Founded in 2013	TV Spend (000):	---	\$2,670	+\$2,670	
	Revenue (000):	\$60,000	\$80,000	+\$20,000	+33%

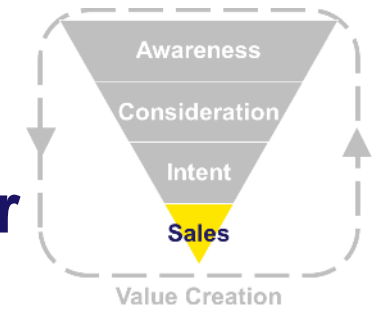
Source: Revenues reflect estimated revenue data from Pivotal Research. TV spend based on VAB analysis of Nielsen Ad Intel data, TV spend (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV), CY 2016 & 2017 & TV spend based on VAB analysis of Nielsen Ad Intel data, TV spend (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV), CY 2016-2018. Revenues for public companies are based on company filings (10-K) for U.S. revenue via SEC.gov (EDGAR). Revenues for private companies are based on reports/projections/guidance provided publicly by company founders/representatives, or analyst estimates/forecasts, and reported within business/technology news outlets such as Bloomberg, CNBC, Digiday, Forbes, Inc., Recode, TechCrunch, WSJ, etc.



# Many brands see correlations over several years between the increases in their TV investment and growth in annual revenues

<u>Brand</u>		<u>2017</u>	<u>2020</u>	<u>Time Period CAGR*</u>
	U.S. Revenue (000)	\$230,106	\$485,028	+28%
	Rolling Cume TV Spend (000)	\$18,777	\$119,923	+86%
	U.S. Revenue (000)	€18,838	€127,220	+89%
	Rolling Cume TV Spend (000)	\$364	\$2,937	+101%
	U.S. Revenue (000)	\$370,036	\$886,093	+34%
	Rolling Cume TV Spend (000)	\$10,080	\$72,878	+93%
	U.S. Revenue (000)	\$4,153,057	\$11,900,658	+42%
	Rolling Cume TV Spend (000)	\$105,794	\$450,889	+62%
	U.S. Revenue (000)	\$1,076,794	\$3,339,817	+46%
	Rolling Cume TV Spend (000)	\$44,180	\$155,449	+52%


Sources: Revenues are based on company filings (10-K) via sources such as SEC.gov (EDGAR) and S&P Global Market Intelligence. TV spend based on VAB analysis of Nielsen Ad Intel data (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV). For comparison purposes, rolling cume TV spend based only on the time period between CY 2017-2020, with 2020 cume TV spend based on aggregated spending across the time period beginning in CY 2017. Casper revenues are based on North America. Marley Spoon U.S. revenues were reported in euros. \*CAGR = compound annual growth rate (i.e., mean annual growth across the time period).




# Microsoft Teams utilized TV to increase their SOV which enabled them to take significant 'share of market' from a major competitor

► By quickly pivoting to recognize a new consumer demand and driving share of voice (SOV) behind its relevant product, **Microsoft Teams** established itself as the leading business communications platform through \$172 MM in TV investment

## 10-Month COVID Time Period vs. Previous 10-Months

 Microsoft Teams	<u>May '19 - Feb '20</u>	<u>Mar '20 - Dec '20</u>	<u>% Change</u>
Total U.S. TV Spend	\$20.0 MM	\$152.4 MM	<b>+661%</b>
Avg. Monthly Unique Visitors	11.8 MM	32.3 MM	<b>+173%</b>
Time Period Cume Total Hours Spent	68.5 MM	379.1 MM	<b>+453%</b>

 slack	<u>May '19 - Feb '20</u>	<u>Mar '20 - Dec '20</u>	<u>% Change</u>
Total U.S. TV Spend	N/A	\$0.5 MM	---
Avg. Monthly Unique Visitors	5.1 MM	4.9 MM	<b>-6%</b>
Time Period Cume Total Hours Spent	101.1 MM	49.3 MM	<b>-51%</b>

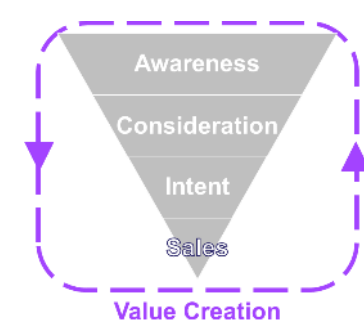
Source: VAB analysis of Nielsen AdIntel, calendar months of May 2019 - December 2020. TV spend includes cable TV, broadcast TV, Spanish language cable TV, Spanish language broadcast TV, spot TV, and syndicated TV. U.S. TV spend only. VAB analysis of Comscore mediameatrix multiplatform media trend data, total audience (Desktop P2+, Mobile 18+), May '19 - Dec '20 (calendar months)

## Value Creation

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TV campaigns create both consumer and marketplace excitement that **attracts capital investment** and **boosts valuations**



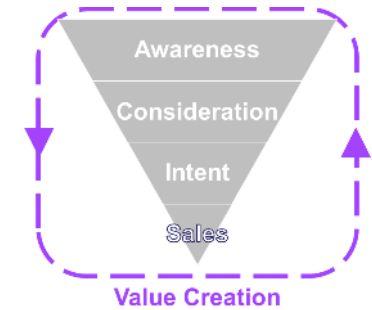


# The excitement, exposure and increased customer base created from new TV campaigns often fuels more investor funding

- ▶ 72% of the overall \$5 billion in investor funded raised across these 10 private companies during the time period analysis occurred when these brands were ramping up their TV investments to broaden their customer bases

<u>Brand</u>	<u>Year Founded</u>	<u>Total Funding \$\$\$</u> btwn 2010 – 1Q '21	<u>% of Total Funding</u> btwn 2017 – Aug '21	<u>Cume TV Spend \$\$\$</u> (btwn 2010 – 1Q '21)	<u>% of Cume TV Spend</u> btwn 2017 – 1Q '21
 Fanatics	1995	\$2.7 B	74%	\$826.4 MM	54%
Thumbtack	2008	\$698.2 MM	61%	\$126.3 MM	58%
WARBY PARKER	2010	\$535.5 MM	60%	\$298.0 MM	95%
<i>Glossier.</i>	2010	\$266.4 MM	87%	\$846.0 K	100%
	2013	\$245.9 MM	45%	\$36.2 MM	25%
	2015	\$155.0 MM	100%	\$37.9 MM	100%
	2015	\$181.0 MM	94%	\$40.3 MM	100%
	2012	\$88.1 MM	78%	\$9.1 MM	62%
<i>fabfitfun</i>	2010	\$83.5 MM	96%	\$14.4 MM	100%
<b>Keeps</b>	2017	\$69.8 MM	100%	\$72.9 MM	100%

Sources: Funding figures based on VAB analysis of crunchbase.com, as of August 2021. TV spend based on VAB analysis of Nielsen Ad Intel data (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV), CY 2010-1Q 2021. Cume TV spend reflects the aggregated spending between CY 2010 – 1Q 2021. Collectively across the 10 private companies, 67% of the cume TV spend was invested between 2017 – 1Q 2021.



# Brands who expanded their customer base through strong TV launches have become ‘unicorns,’ with valuations over \$1 billion

## ‘Unicorn’ Brands

\$1+ Billion Valuations  
(as of 1Q '21)



**Fanatics®**  
(Apparel & Accessories)  
**\$12.8 B**  
valuation  
(cume TV spend\*: \$895MM)

**Thumbtack**  
(Home Services)  
**\$3.2 B**  
valuation  
(cume TV spend\*: \$126MM)

**WARBY PARKER**  
(Eyewear)  
**\$3.0 B**  
valuation  
(cume TV spend\*: \$283MM)

**Offerpad**  
(Real Estate)  
**\$3.0 B**  
valuation  
(cume TV spend\*: \$38MM)

**metromile**  
(Auto Insurance)  
**\$1.3 B**  
valuation  
(cume TV spend\*: \$26MM)

**Glossier.**  
(Beauty)  
**\$1.8 B**  
valuation  
(cume TV spend\*: \$1MM)

**+Babbel**  
(Language Learning)  
**\$1.19 B**  
valuation  
(cume TV spend\*: \$91MM)

**AWAY**  
(Travel / Luggage)  
**\$1.54 B**  
valuation  
(cume TV spend\*: \$40MM)

**Keeps**  
(Hair Loss)  
**\$1.0+ B**  
valuation  
(cume TV spend\*: \$79MM)

Sources: based on latest funding and valuation data publicly available through sources including TechCrunch, PitchBook, Bloomberg, Wall Street Journal, Fortune, CNN Money. “Unicorn” = private companies valued at \$1 billion+. Keeps valuation is based on parent company, Thirty Madison. “B” = billions. TV spend based on VAB analysis of Nielsen Ad Intel data (national cable TV, national broadcast TV, Spanish language broadcast TV, Spanish language cable TV, spot TV, syndication TV), \*cume TV spend based on aggregated spend from CY 2000 - 1Q 2021.

# Key Implications for Marketers

- ▶ TV campaigns lift the financial impact for brands by stimulating capital investment and stoking company valuations
- ▶ This financial impact is aided by TV campaign successes achieved across each stage of the purchase funnel – building awareness and reputation, igniting online search, driving an influx of new, highly-valued customers to brands' digital platforms and the delivery of both short-term sales and long-term results

# To learn more about the full-funnel impact of TV advertising, download our full report below

**‘25 Ways TV Grows Brands’** explores real-world examples of how TV drives full-funnel outcomes, distilled from a decade of VAB’s TV attribution reports across 1,000+ brands, 80+ categories and 30+ metrics analyzed.



**25 Ways TV Grows Brands:**  
Powering Performance Through Full-Funnel Business Outcomes

Awareness → Consideration → Intent → Sales → Value Creation

1 Legitimizes brands	2 Turns brands into household names	3 (Re)Builds brand perception	4 Enables brands to breakthrough	5 Provokes search queries
6 Piques curiosity for ubiquitous brands	7 Sparks social conversations	8 Delivers new customer prospects	9 Drives people to branded digital storefronts	10 Creates a halo effect for digital actions
11 Boosts app downloads	12 Generates greater intent at all investment levels	13 Lifts website traffic for brands at all life stages	14 Converts best prospects for niche brands	15 Motivates younger audiences to act
16 Grows customer acquisition	17 Lifts short-term business performance	18 Increases long-term sales	19 Successfully launches new products	20 Transforms challengers into market leaders
21 Strengthens share of market	22 Inspires multicultural audiences to purchase	23 Stimulates capital investment	24 Bolsters company valuations	25 Spurs acquisitions

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VAB plays a dual role in the video advertising industry. We are leading the change to bring about a more innovative and transparent marketplace. We also provide the insights and thought leadership that enables marketers to develop business-driving marketing strategies.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



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