

# Basic Insights from Linear TV can Drive Advanced Streaming Strategies

## Streaming is 68% incremental ...

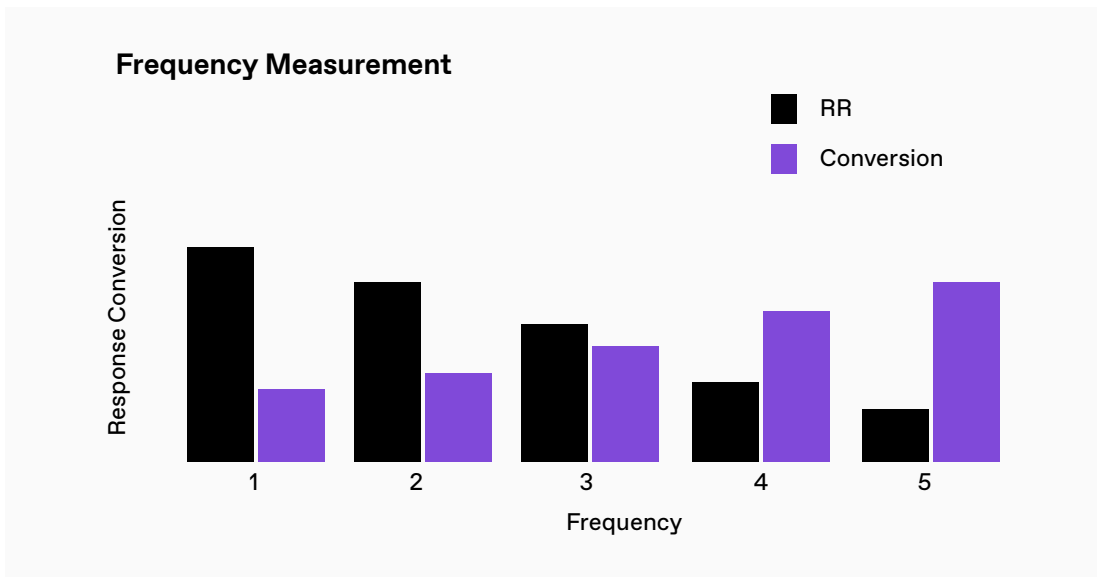
Despite the massive growth in streaming TV, most of the industry still puts it as a supplement or accessory to linear TV investments. Tatari's data from smart TV shows that it shouldn't be that way. We measured the percentage of streamers that saw a client's ad on streaming (only), but not linear. For brands with sufficient budget allocated towards streaming, this percentage was a whopping 68%. Phrased differently, there's not much overlap, and streaming audiences drive (significantly) incremental reach to linear.

## ... but incremental doesn't equate to unrelated

Most TV advertisers treat streaming TV completely different from linear. Different measurement, distinct budgets, separate targeting strategies, even different teams. Tatari (and its clients) take a much more holistic approach, highlighted by two very simple frameworks that help us accomplish connectedness.

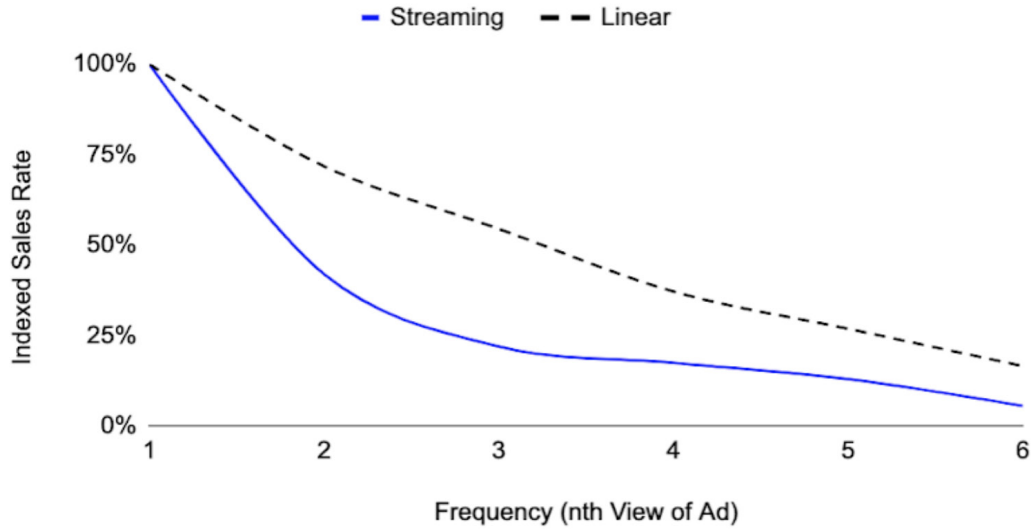
## Sales Rate by Frequency:

We will introduce you to a new concept: sales rate. Essentially, the combination of response rate and conversion

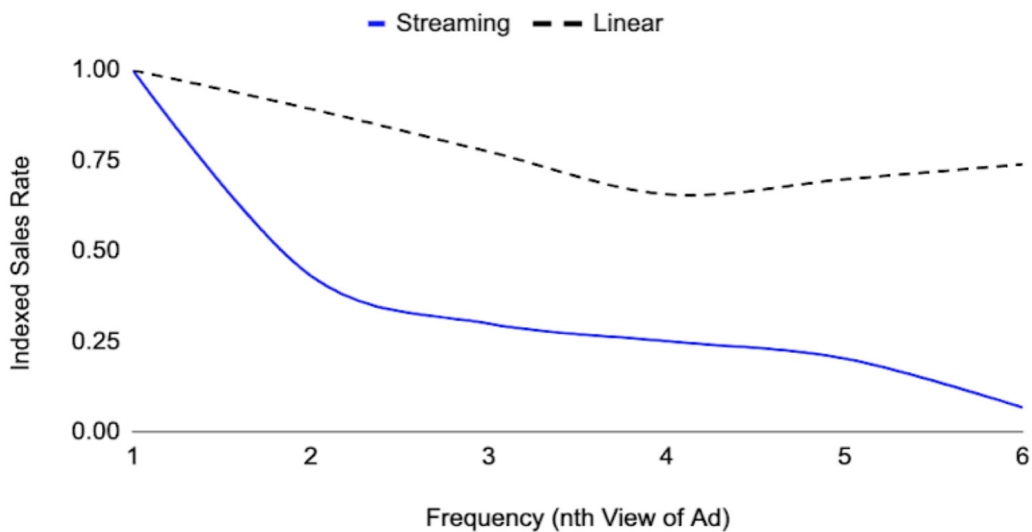


Response rate tends to trail off with frequency. However, conversion rates can hold steady or even increase pending on the product/message. Thus, Tatari reviews both of these measures when evaluating an optimal frequency per client. Here is how the sales rate profile varies for 2 different Tatari clients in their linear and streaming campaigns.

### Client A: Sales Rate by Frequency



### Client B: Sales Rate by Frequency



In general, we see that linear has a longer half life. For some clients, particularly for those with a longer consideration set, we don't have to worry about degradation (or burnout) on linear. Vice versa for streaming. Needless to say, for the two clients above, we would take different actions.

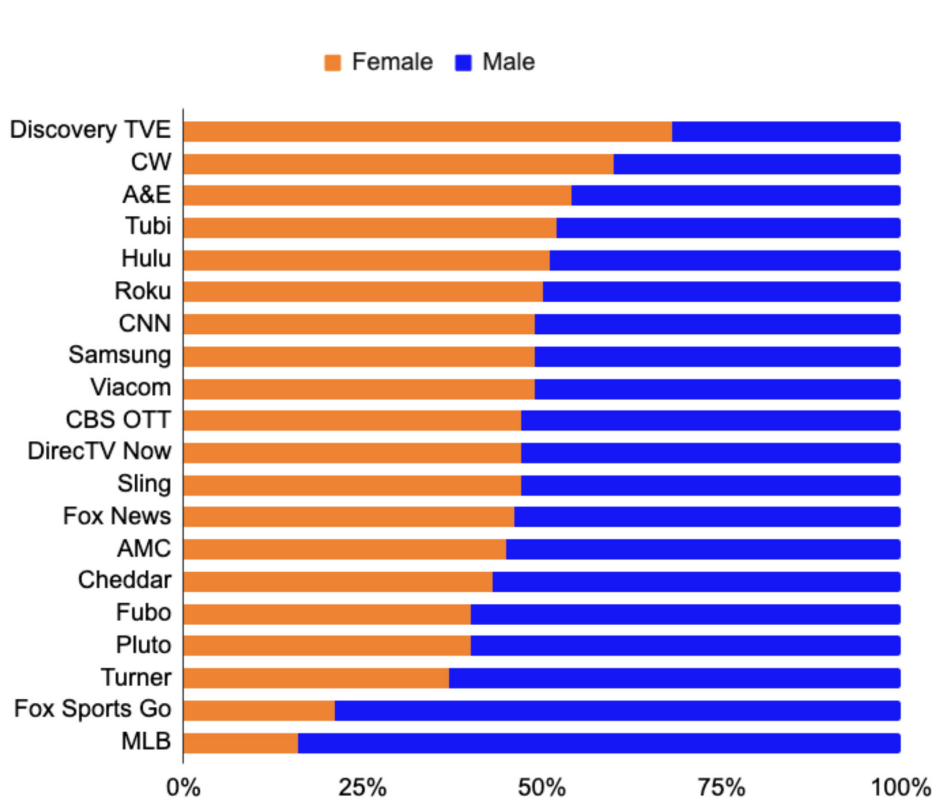


## Target on streaming by injecting a dose of linear

One of the widely-understood advantages of streaming is the ability to target. This can be done either programmatically (i.e. leveraging advanced data sets to target, often in open exchanges) or by working directly with publishers (leveraging their data). In most cases, this comes at (hefty) CPM premium.

Consider a free (and proven) alternative approach, directly copied from the linear TV playbook. At Tatari, we monitor the demographics across streaming publishers; this most basic information allows us to apply linear-like targeting. In addition, we can select the initial streaming targets by analyzing set-top box data across linear airings (discerning the best responding demographics).

Here are some examples: gender, age, and income.



Age Group	Publisher
Ages 18-34	Cheddar
	CW
	Viacom
	Tubi
	Hulu
Ages 35-54	Sling
	Discovery TVE
	NFL Network
	Samsung
	DirectTV Now
Ages 55+	Fox News
	CNN
	Viacom
	DirectTV Now

Income Group	Publisher
Low Income (Under \$50k)	Roku
	Viacom
	Discovery TVE
Mid Income (\$50k - \$100k)	Cheddar
	Sling
High Income (\$100k+)	Tubi
	CNN
	CW
	Samsung
	Fox News
	A&E

In the above, we are not suggesting that the most successful linear demographics will also be optimal for streaming. We are merely suggesting a free framework to test this.

Sources:  
 - Data for the first four charts is taken from TV campaigns. The publisher-level data is sourced from streaming publishers. The incremental percentage is based on the average over 4 campaigns (4 different clients) of 4-5 weeks duration in April/May 2020. The response and conversion chart is for a single campaign, but is representative behavior typical across numerous clients. The sales rates charts are for 2 different campaigns.

Methodology:  
 - Streaming Incremental % is the percentage of users that we believe have only viewed ad content for the client via streaming, as opposed to a combination of streaming and linear. We calculate this percentage by comparing streaming impressions data with 3rd party smart TV data. By looking at the IP overlap and user agent breakdown in each pool of devices, we can estimate the fraction of our streaming users who are also likely to have been served ads over linear TV during the same period.