

VIDEO ADVERTISING BUREAU - REPORT 2019

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Summer Forecast

Heating Up With Premium Multiscreen Video



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- 3 Summer TV Trends Showcasing Season-Long Stability
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- 6 Summer In The Cinema Going Wide With An Emphasis On Millennials

SparkNotes For Your Summer Reading:

Summary Of Summer Stats For Premium Multiscreen Video

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Summer Plans: Understanding Leisure Time & Media Behaviors

- 22% of P18+ watch ad-supported TV during the summer
- 66% of P18+ believe TV is a good escape
- 76% of P18+ go to the cinema throughout the year, with a skew towards major summer events
- Even with the growth in streaming, TV represents almost 80% of total P18+ video consumption
- People spend more time with TV than Radio during every hour of the day

Summer TV Trends: Showcasing Season-Long Stability

- Average monthly summer reach for P13-17 (83%) to P18-24 (72%) is steady vs. other times of the year
- On average, monthly time spent with ad-supported TV at the H1 level is only 4% lower than other times of the year
- People typically watch more TV on holidays: for instance, teens watch 33 more minutes of ad-supported TV on Memorial Day
- 90% of P18-24 ad-supported TV viewing, and 88% of P25-34, is done "live" which is on par with the rest of the year
- The summertime "Out-Of-Home" co-viewing sports fan is attentive and skewing millennial and male

Staying Connected: Quenching The Thirst For Content Across Screens

- Ad-supported TV grew their summertime unique mobile reach by +25% against P18+ and +11% against P50+ YoY
- Total time spent on mobile with Ad-Supported TV brands increased +12% for P18+, +11% for P18-49 and +26% for P50+ YoY
- In any given minute, the ad-supported multiscreen TV P18-34 audience is 6x larger than Facebook and 60x larger than YouTube

Sizzling Summer Social Scene: Studying Social Conversations Across Holidays

- Ad-supported TV accounted for 68% of the top 10 trending Twitter topics during key summer holiday time periods
- 45 ad-supported TV programs trended across the three holiday periods: Memorial Day Weekend, July 4th, Labor Day Weekend

Summer In The Cinema: Going Wide With An Emphasis On Millennials

- Summer cinema admissions were up +17% overall; +39% for teens, +5% for P18-49 and +83% for P55+
- Cinema is a much more millennial-targeted platform than online: 66% of summer movie-goers vs. 33% of internet users are Millennial

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Are You Planning To Take A Summer Vacation?

Yes, 51%

Why Not?

- Can't Afford The Cost: 25%
- Have Family Obligations: 25%
- Can't Take Time Off Work: 22%
- Health/Age: 4%
- Other: 11%

Most people, whether they're on vacation or not, see TV as a good, relaxing escape

- 75% believe resting and relaxing is very or extremely important
- 66% Believe TV is a good escape
- 59% Say TV relaxes them

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People Are Typically Watching More Ad-Supported TV On Popular Summer Holidays Than On Other Comparable Days

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% Ad-Supported TV Daily Time Spent (Total Live-SD (Hrs:Min))

	May (Memorial Day)			July (July 4th)		
	Memorial Day (Monday)	Other Mondays	Change	July 4th (Wednesday)	Other Wednesdays	Change
Household	8:22	7:42	+40	7:58	7:38	+20
P13-17	2:43	2:10	+33	2:30	2:38	-08
P18-24	3:19	3:01	+18	2:55	2:51	+04
P25-34	3:50	3:18	+32	3:22	3:14	+08
P35-49	4:38	4:00	+38	4:24	4:00	+24

Other Day = Average of other weekdays (i.e., Mondays) in the holiday month

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Even When Americans Are On Vacation, They Are Not Likely To 'Disconnect' From Technology

Most people don't "disconnect" and many don't "dial back" their time spent online over summer vacations

- 78% of people do not 'disconnect' from technology while on vacation
- 87% of Americans under 30 say they're not likely to unplug
- 58% of people don't 'dial back' their time spent online over summer vacations

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Ad-Supported TV Collectively Accounted For Over Two-Thirds Of The Top 10 Trending Twitter Topics In Primetime Across Summer Holiday Time Periods In 2018

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68% of the aggregated top 10 trending topics across the monitored Ad-Supported TV-related topics

- Memorial Day Weekend (Friday 5/23 - Monday 5/28) (8:00p-11:00p): 67% Overall Total % of TV Topics in Top 10 During Primetime
- July 4th Holiday (Tuesday 7/3 - Wednesday 7/4) (8:00p-11:00p): 46% Overall Total % of TV Topics in Top 10 During Primetime
- Labor Day Weekend (Friday 8/31 - Monday 9/3) (8:00p-11:00p): 80% Overall Total % of TV Topics in Top 10 During Primetime

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During The Summer, Cinema Is A Much More Millennial-Targeted Platform Than Online Among The Adult Population

6

Demographic Composition By Platform P18+, May - August 2018

- Cinema: P18-34 (46%), P35+ (54%)
- Online: P18-34 (33%), P35+ (67%)

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SparkNotes For Your Summer Reading:

Summary Of Summer Stats For Premium Multiscreen Video

Summer Plans: Understanding Leisure Time & Media Behaviors

- ❖ 95% of P18+ watch ad-supported TV during the summer
- ❖ 66% of P18+ believe TV is a good escape
- ❖ 76% of P18+ go to the cinema throughout the year, with a skew towards major summertime theatrical releases
- ❖ Even with the growth in streaming, TV represents almost 80% of total P18+ video consumption during the summer
- ❖ People spend more time with TV than Radio during **every hour of the day**

Summer TV Trends: Showcasing Season-Long Stability

- ❖ Average monthly summer reach for P13-17 (86%) & P18-24 (79%) is steady vs. other time periods throughout the year
- ❖ On average, monthly time spent with ad-supported TV at the HH level is **only 4% lower** during summer months
- ❖ People typically watch **more** TV on holidays: for instance, Teens watch 33 more minutes of TV on Memorial Day than average
- ❖ 90% of P18-24 ad-supported TV viewing, and 88% of P25-34, is done “live” which is on par with the rest of the year
- ❖ The summertime ‘Out-Of-Home’ co-viewing sports fan is attentive and skews **millennial** and **male**

Staying Connected: Quenching The Thirst For Content Across Screens

- ❖ Ad-Supported TV grew their summertime unique mobile reach by +5% against P18+ and +11% against P50+ YoY
- ❖ Total time spent on mobile with Ad-Supported TV brands increased +17% for P18+, +11% for P18-49 and +26% for P50+ YoY
- ❖ In any given minute, the ad-supported multiscreen TV P18-34 audience is 6x larger than Facebook and 60% larger than YouTube

Sizzling Summer Social Scene: Studying Social Conversations Across Holidays

- ❖ Ad-supported TV accounted for 68% of the top 10 trending Twitter topics during key summer holiday time periods
- ❖ 45 ad-supported TV programs trended across the three holiday periods: Memorial Day Weekend, July 4th, Labor Day Weekend

Summer In The Cinema: Going Wide With An Emphasis On Millennials

- ❖ Summer cinema admissions were up +17% overall: +39% for teens, +9% for P18-49 and +83% for P55+
- ❖ Cinema is a much more millennial-targeted platform than online: 46% of summer movie-goers vs. 33% of internet users are Millennial

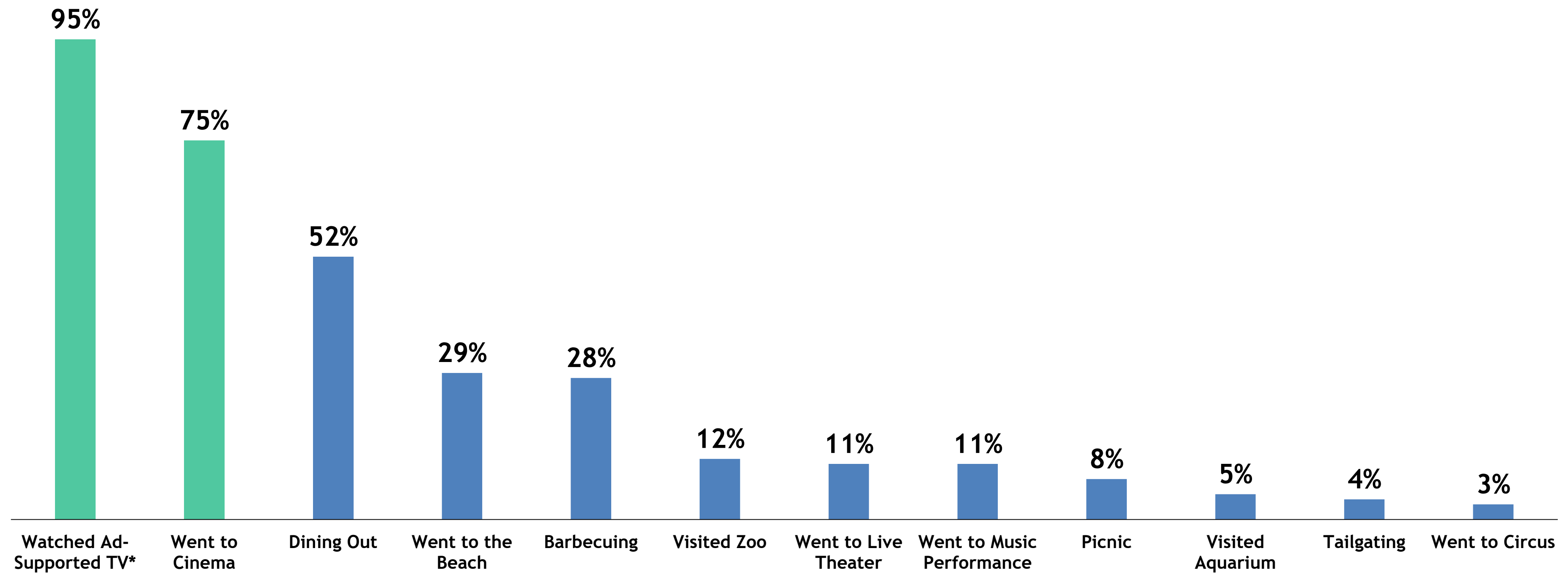


Summer Plans:

Understanding Leisure Time & Media Behaviors

Watching Ad-Supported TV & Going To The Local Cineplex Are The Two Most Popular Leisure Time Activities

Leisure Activities Participated In Last 12 Months P18+

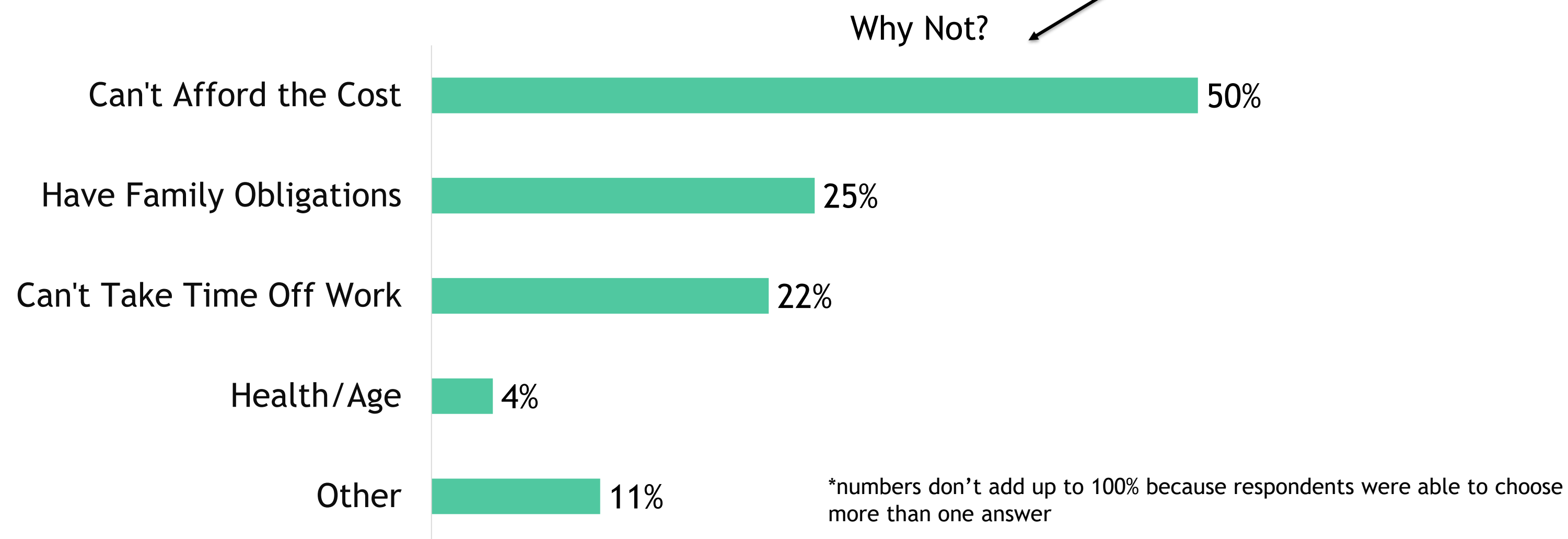
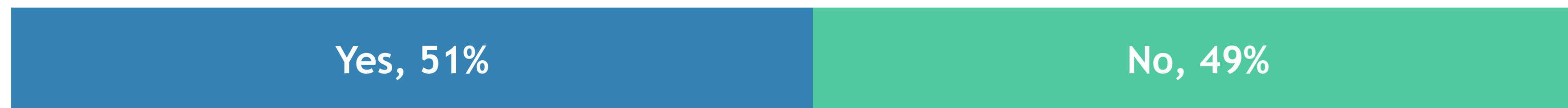


*"participated in last 12 months" except for "watched ad-supported TV" which only reflects viewership during summer months

Source: TV data based on VAB Analysis of Nielsen Npower R+F Time Period Report, P18+, 5/25/18-9/3/18, Live+7, Viewing Sources Ad-Supported Cable & Broadcast TV; "went to cinema" based on MPAA's analysis of P2+ attendance demographics from 2018 MPAA THEME Report; all other Leisure Activities based on GFK MRI 2018 Doublebase, P18+

More People Will Be Escaping With TV Content (66%) This Summer Than Escaping Through A Vacation (51%)

Are You Planning To Take A Summer Vacation?



Most people, whether they're on vacation or not, see TV as a good, relaxing escape



75%

believe resting and relaxing is very or extremely important



66%

Believe TV is a good escape

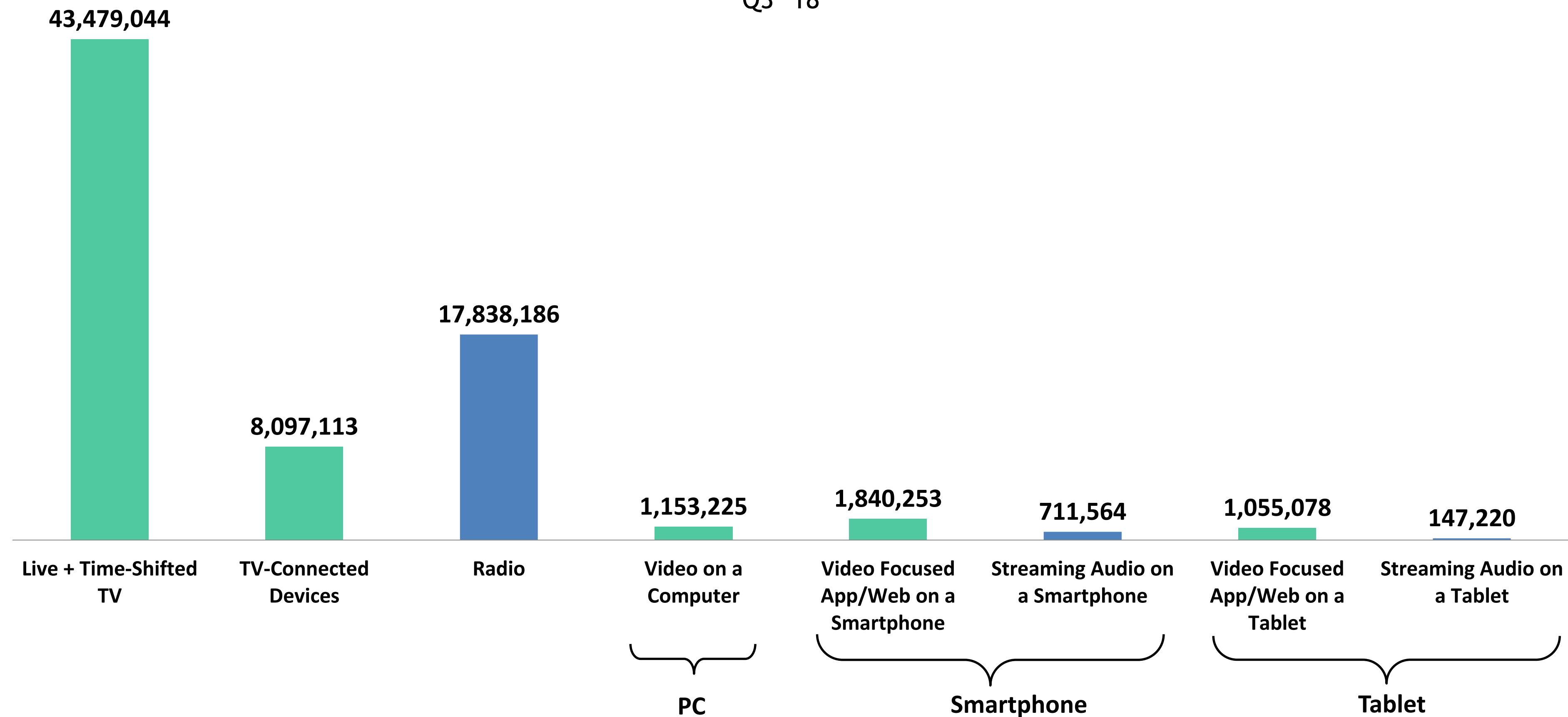


59%

Say TV relaxes them

Although Streaming Across Devices Is Increasing, TV Dwarfs All Other Audio Or Video Platforms And Represents Almost 80% Of Total Video Consumption During Summer

Average Minute Audience: Adults 18+
Q3 '18

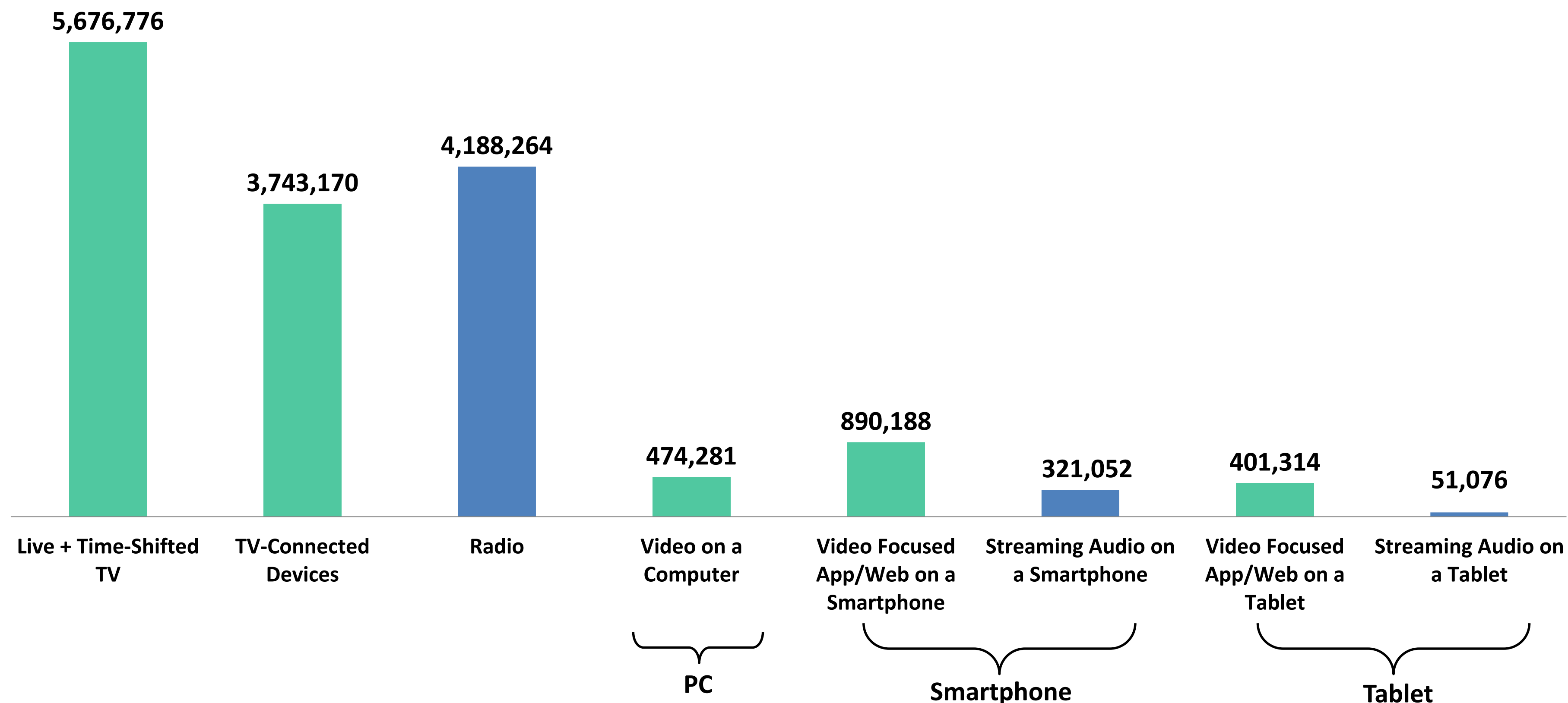


Source: VAB analysis of Nielsen Total Audience Report Q3 2018; Data based on weekly time spent averages among U.S. population in Q3 2018, P18+.

In Any Given Minute,
The Millennial TV
Audience Is Larger
Than The Millennial
Audience For Any
Other Audio Or Video
Platform...

TV Also Represents
51% Of Total
Millennial Video
Consumption
During Summer

Average Minute Audience: Adults 18-34
Q3 '18



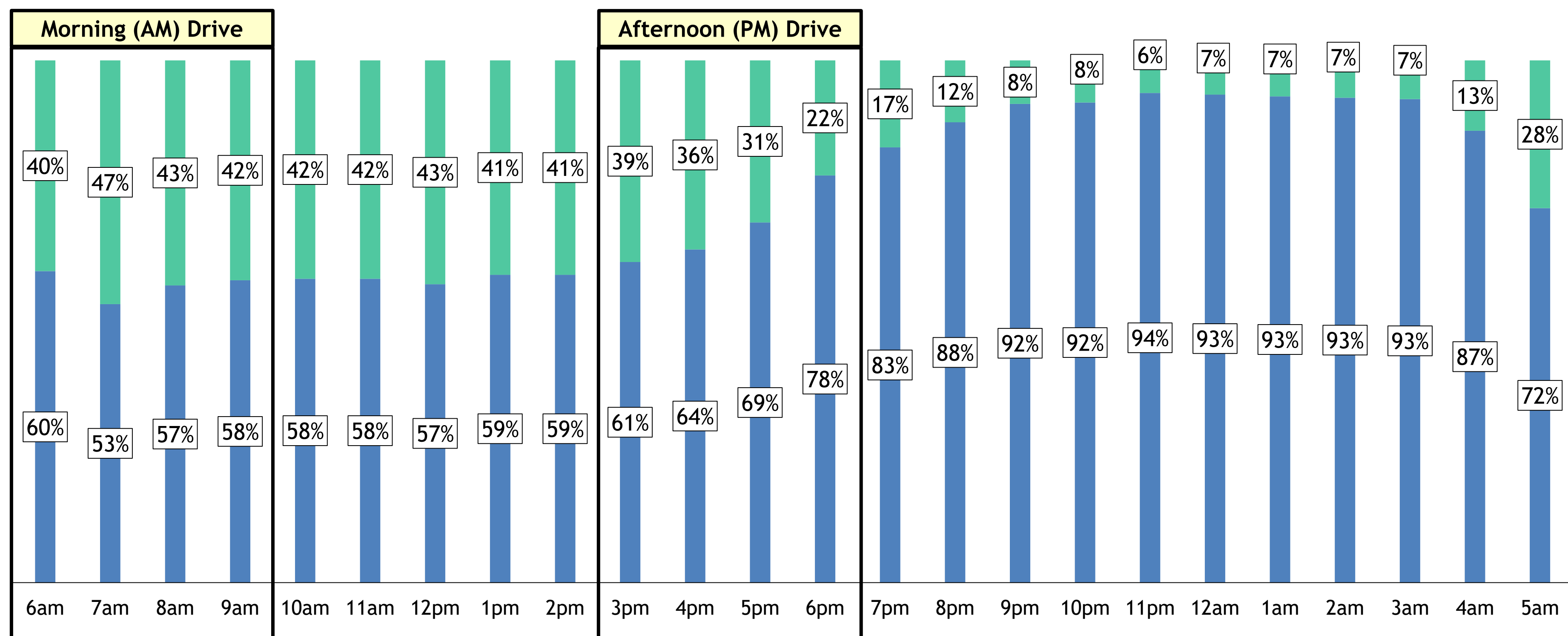
Source: VAB analysis of Nielsen Total Audience Report Q3 2018; Data based on weekly time spent averages among U.S. population in Q3 2018, P18-34.

Across All Hours Of The Day In Summer Months, More Time Is Spent With TV Than With Radio, Even During Radio's Important Drive Time Dayparts

% Share of Time Spent By Hour

Linear TV vs. Radio, Q2 '18

■ Live + Timeshifted TV ■ Radio

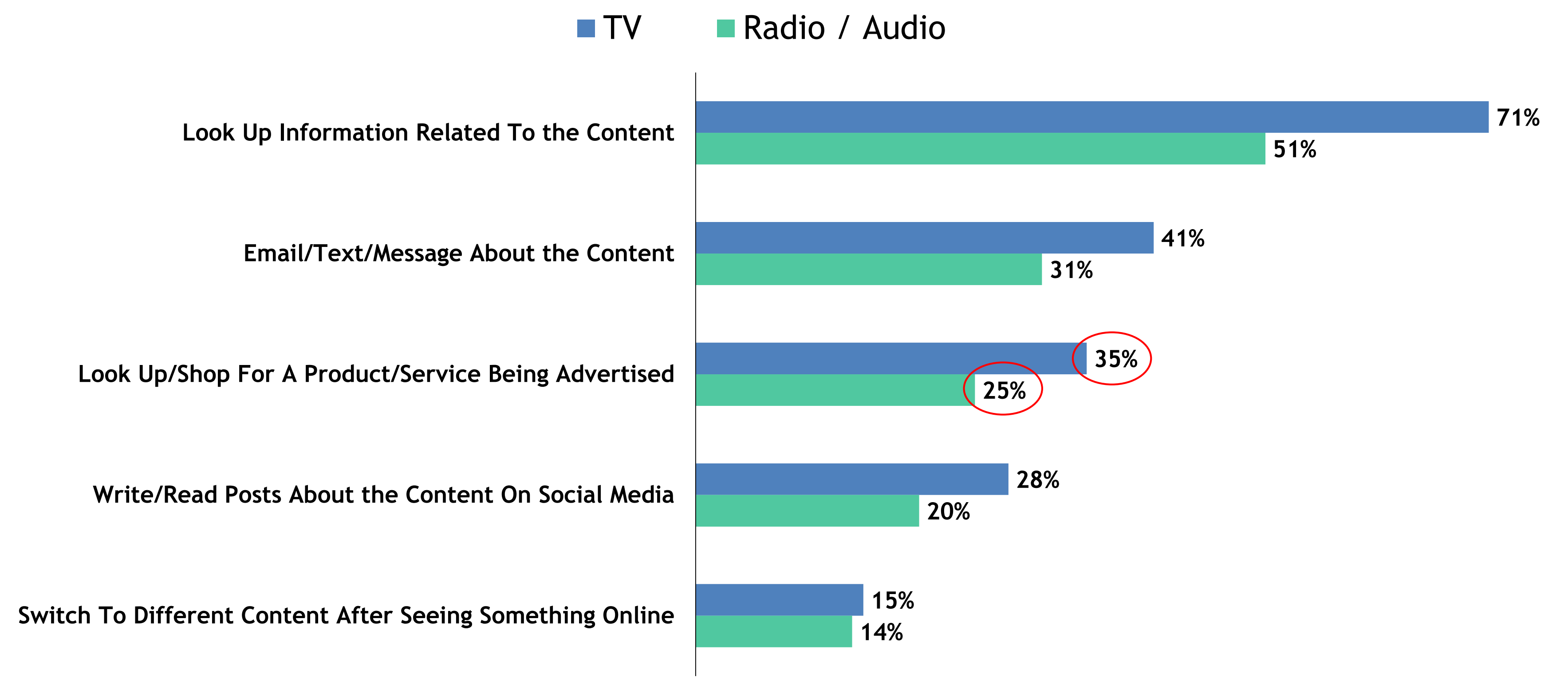


Source: VAB analysis of data from the Nielsen Total Audience Report 2Q 2018; percent shares based on medium's % of total hours, TV includes live + time-shifted TV.

In Terms Of
 Summertime Second
 Screen Usage, TV
 Viewers Are **40%
 More Likely** Than
 Audio Listeners To
 Take A Digital Action
 After Seeing /
 Hearing A Brand
 Being Advertised

*In what ways have you used your digital device to engage with the TV content you were watching
 or the audio content you were listening to?*

Digital Usage While Using Media Platforms



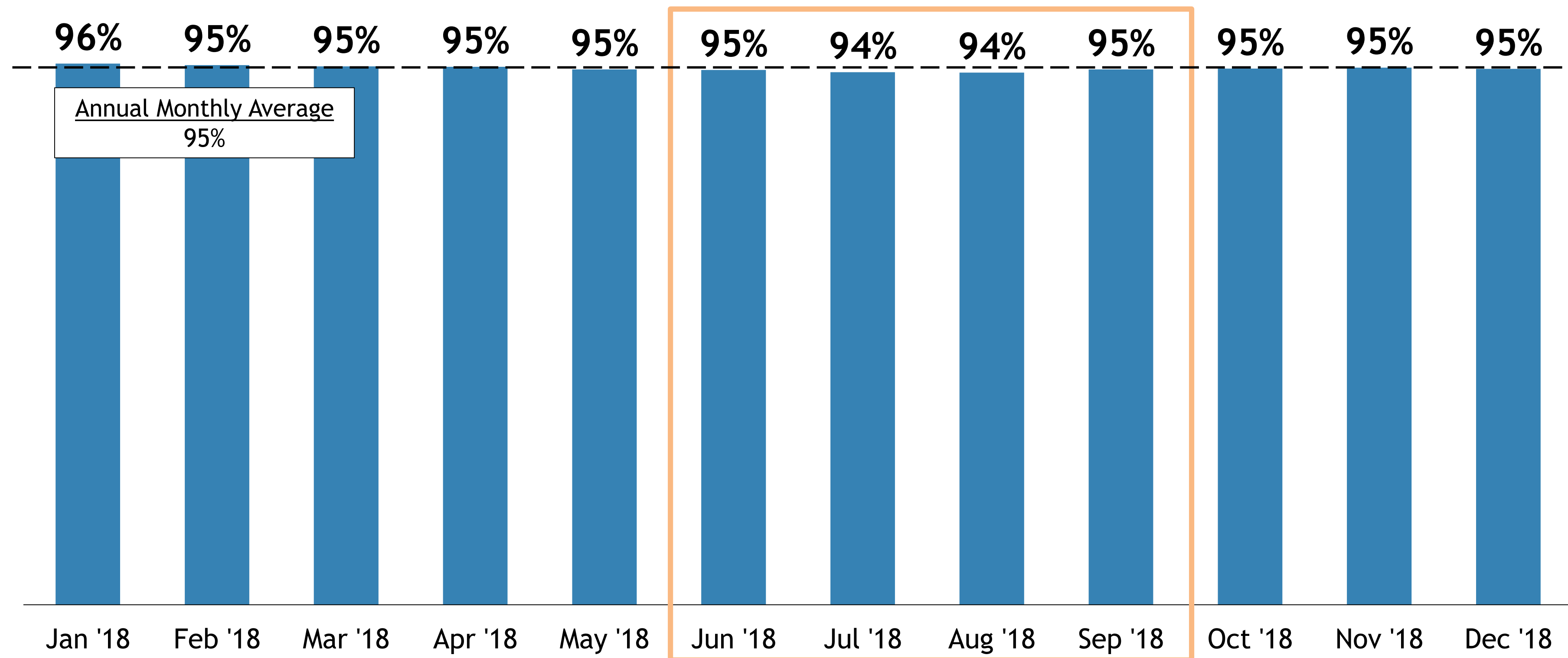
Source: VAB analysis of data from the Nielsen Total Audience Report 2Q 2018. The audio universe includes terrestrial radio, satellite radio, streaming audio on smartphones and tablets, and podcasts.



Summer TV Trends: Showcasing Season-Long Stability

Monthly Household Reach Remains Steady During Summer Months Compared To Non-Summer Months

Ad-Supported TV Monthly Reach (Total Day) Households

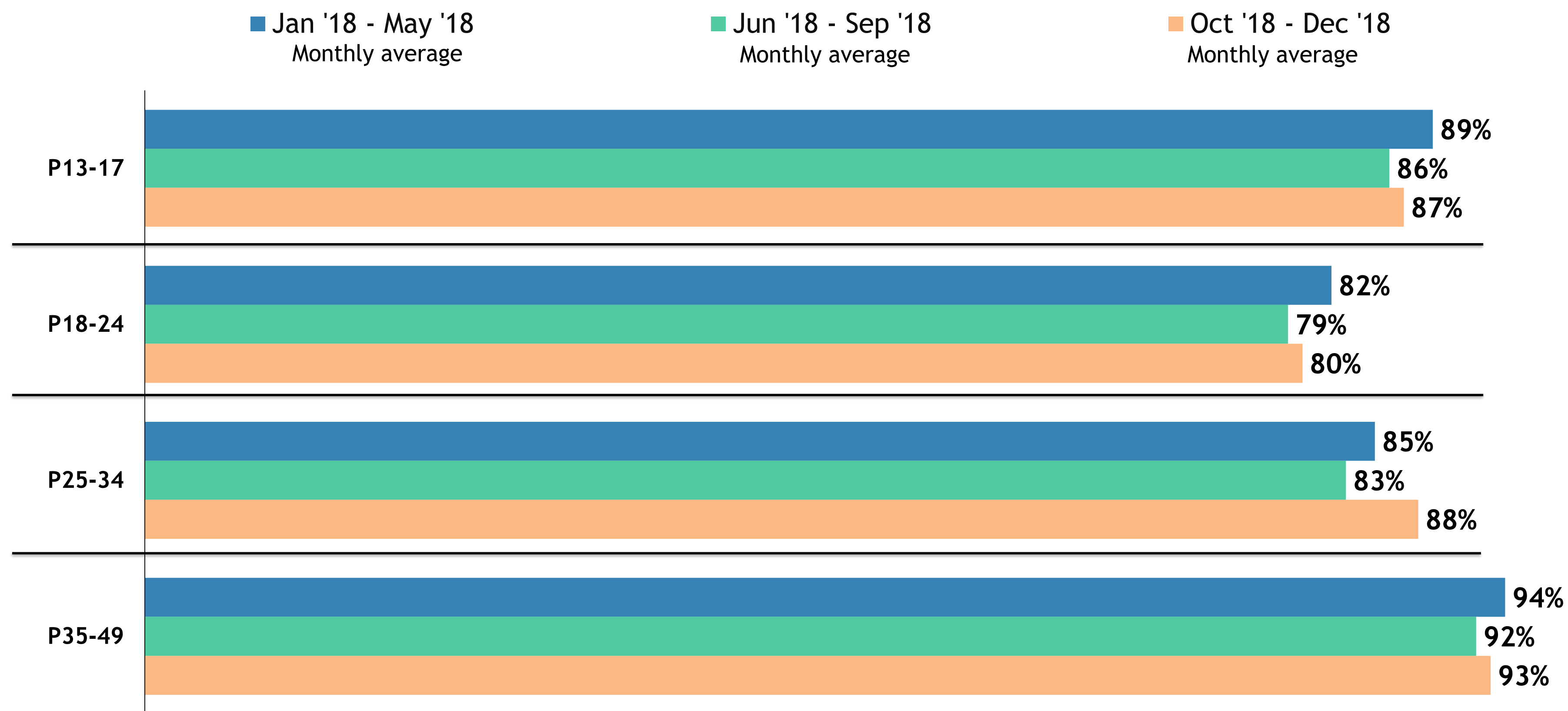


Source: VAB analysis of Nielsen NPower R+F Time Period Report, Household, Total Day, broadcast + cable TV, based on standard calendar months in 2018, Live+7

Monthly Reach Also Holds Relatively Steady Across Demos During Summer Vs. Non-Summer Months

Ad-Supported TV Monthly Reach (Total Day)

Based on Monthly Average



% Ad-Supported TV Daily Reach (Total Day)
Live+SD

May
(Memorial Day)

July
(July 4th)

September
(Labor Day)

	Memorial Day (Monday)	Other Mondays	PP Change	July 4 th (Wednesday)	Other Wednesdays	PP Change	Labor Day (Monday)	Other Mondays	PP Change
Household	80%	81%	-1%	75%	78%	-3%	79%	81%	-2%
P13-17	39%	34%	+5%	32%	35%	-3%	35%	31%	+4%
P18-24	37%	34%	+3%	30%	32%	-2%	31%	31%	-
P25-34	50%	47%	+3%	42%	43%	-1%	45%	47%	-2%
P35-49	68%	66%	+2%	59%	61%	-2%	65%	65%	-

“Other” Day = Average of other weekdays (i.e: Mondays) in the holiday month

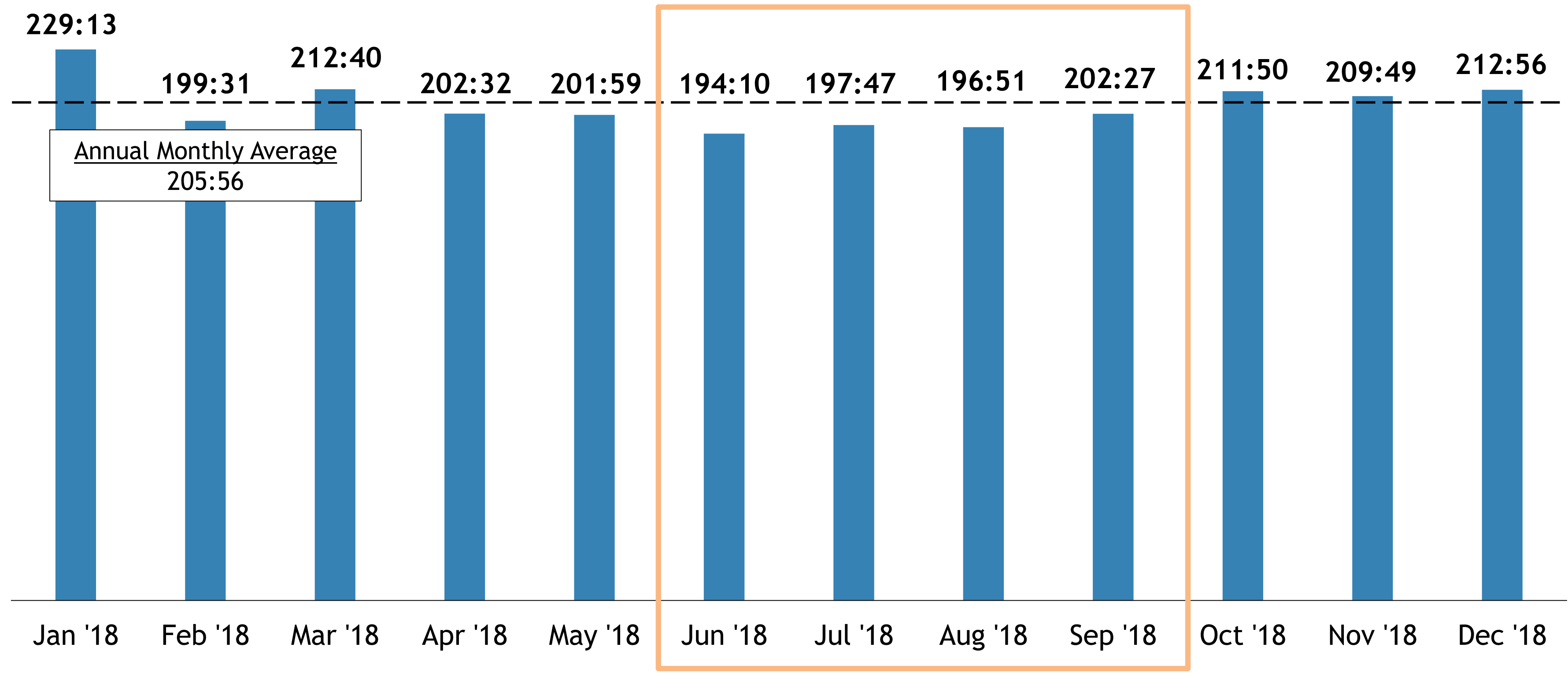
Even On Popular Summer Holidays, Daily Reach Is Fairly Comparable To An Average Day Within The Same Month...

...These Summer Holidays Do Typically See A Significant Increase In Time Spent Watching TV As Well

(See Slide 17)

On Average,
Monthly Time Spent
With Ad-Supported
TV At The HH Level
Is Only 4% Lower
During Summer
Months

Ad-Supported TV “Average Monthly Time Spent” Households - Total Day (Hrs:Mins)

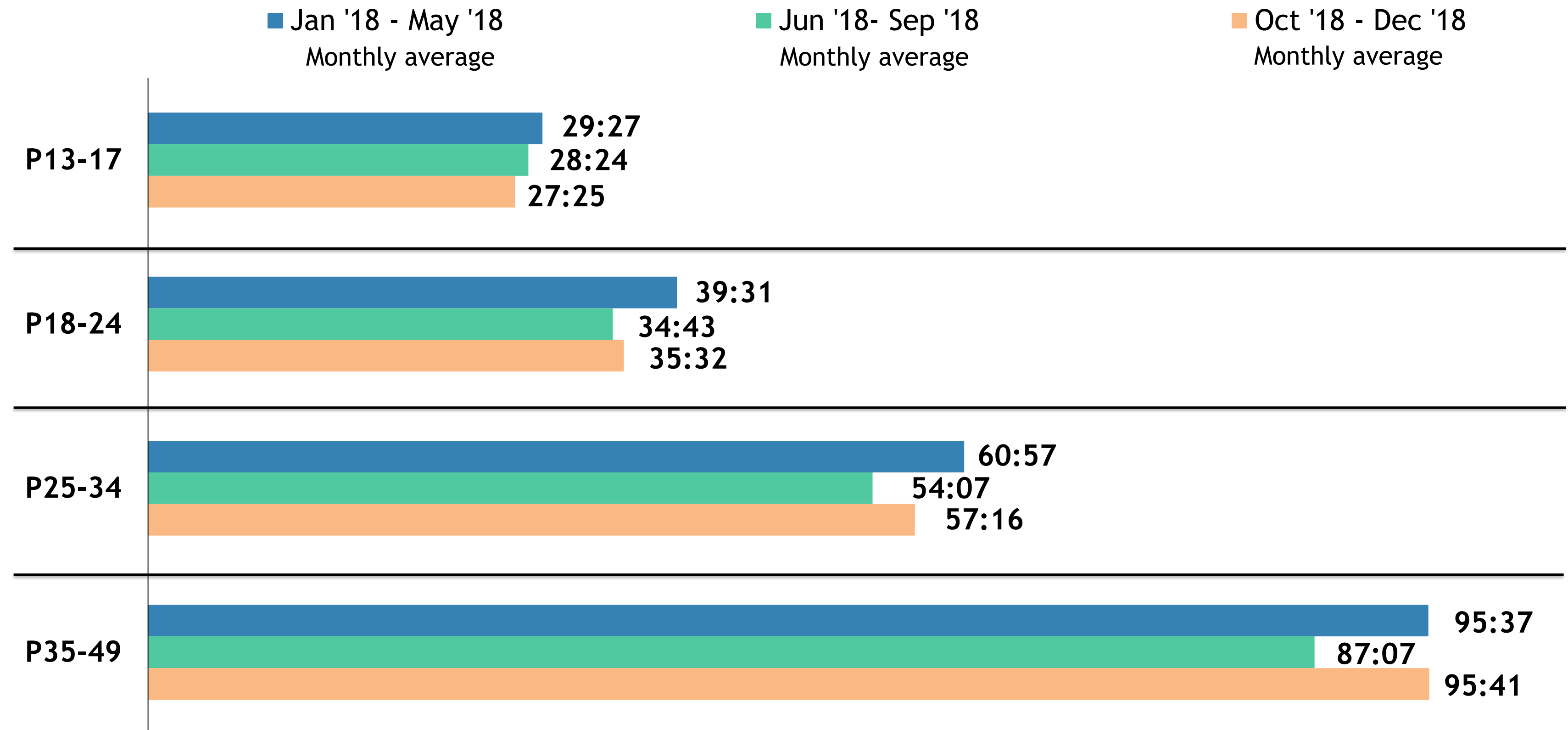


Source: VAB analysis of Nielsen Npower R+F Time Period Report, Total Day, Household, broadcast + cable TV, based on standard calendar months in 2018, Live+7

Across Demos,
Monthly Time Spent
With Ad-Supported
TV Is Only 7% Lower
On Average During
Summer Months Vs.
Non-Summer
Months...

Although Teen
Summer Viewership
Is Flat Vs. The Rest
Of The Year

Ad-Supported TV “Average Monthly Time Spent”
Based on Monthly “Total Day” Average (Hrs:Mins)



Source: VAB analysis of Nielsen Npower R+F Time Period Report, Total Day, broadcast + cable TV, based on standard calendar months in 2018, Live+7

People Are Typically Watching **More** Ad-Supported TV On Popular Summer Holidays Than On Other Comparable Days

% Ad-Supported TV Daily Time Spent (Total Day)

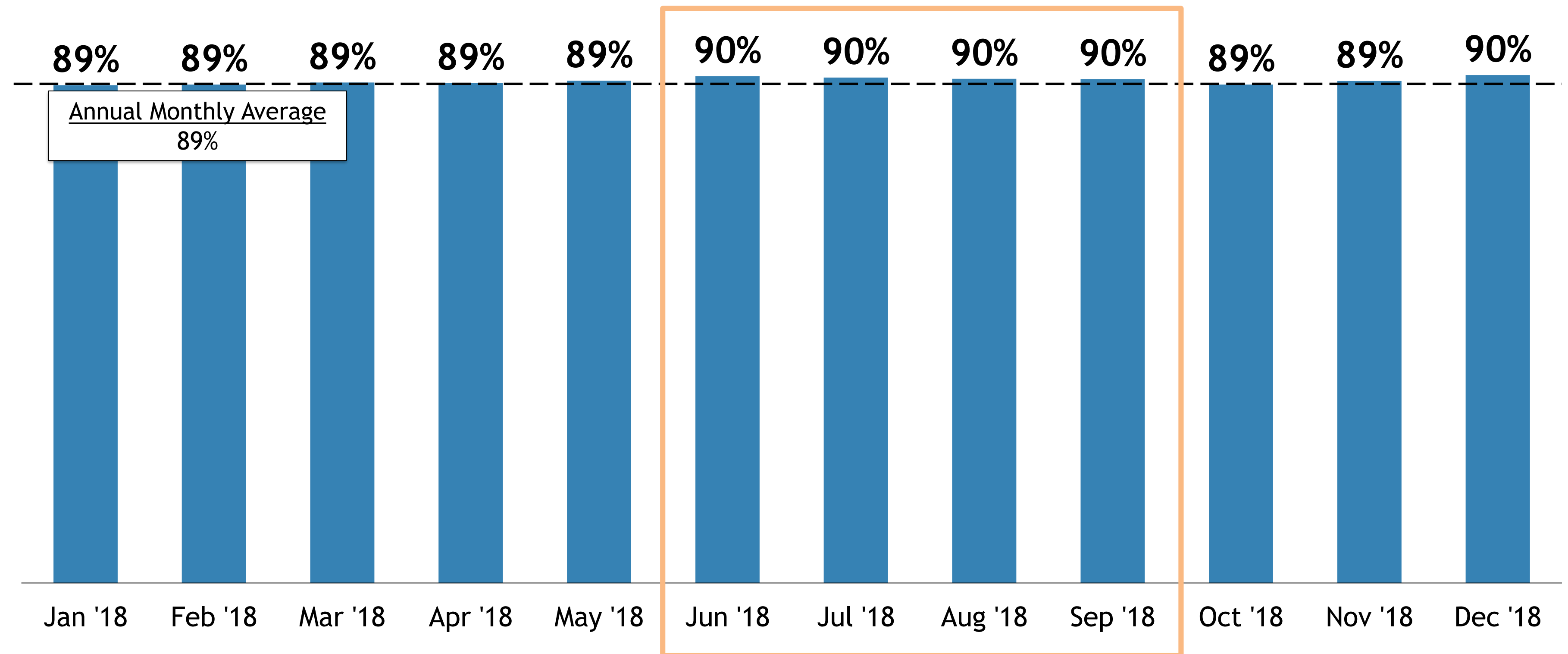
Live+SD (Hrs:Mins)

	<u>May</u> (Memorial Day)			<u>July</u> (July 4 th)			<u>September</u> (Labor Day)		
	Memorial Day (Monday)	Other Mondays	Change	July 4 th (Wednesday)	Other Wednesdays	Change	Labor Day (Monday)	Other Mondays	Change
Household	8:22	7:42	+:40	7:58	7:38	+:20	8:21	7:59	+:22
P13-17	2:43	2:10	+:33	2:30	2:38	:-08	2:32	2:06	+:26
P18-24	3:19	3:01	+:18	2:55	2:51	+:04	3:10	2:53	+:17
P25-34	3:50	3:18	+:32	3:22	3:14	+:08	3:41	3:21	+:20
P35-49	4:38	4:00	+:38	4:24	4:00	+:24	4:34	4:13	+:21

“Other” Day = Average of other weekdays (i.e.: Mondays) in the holiday month

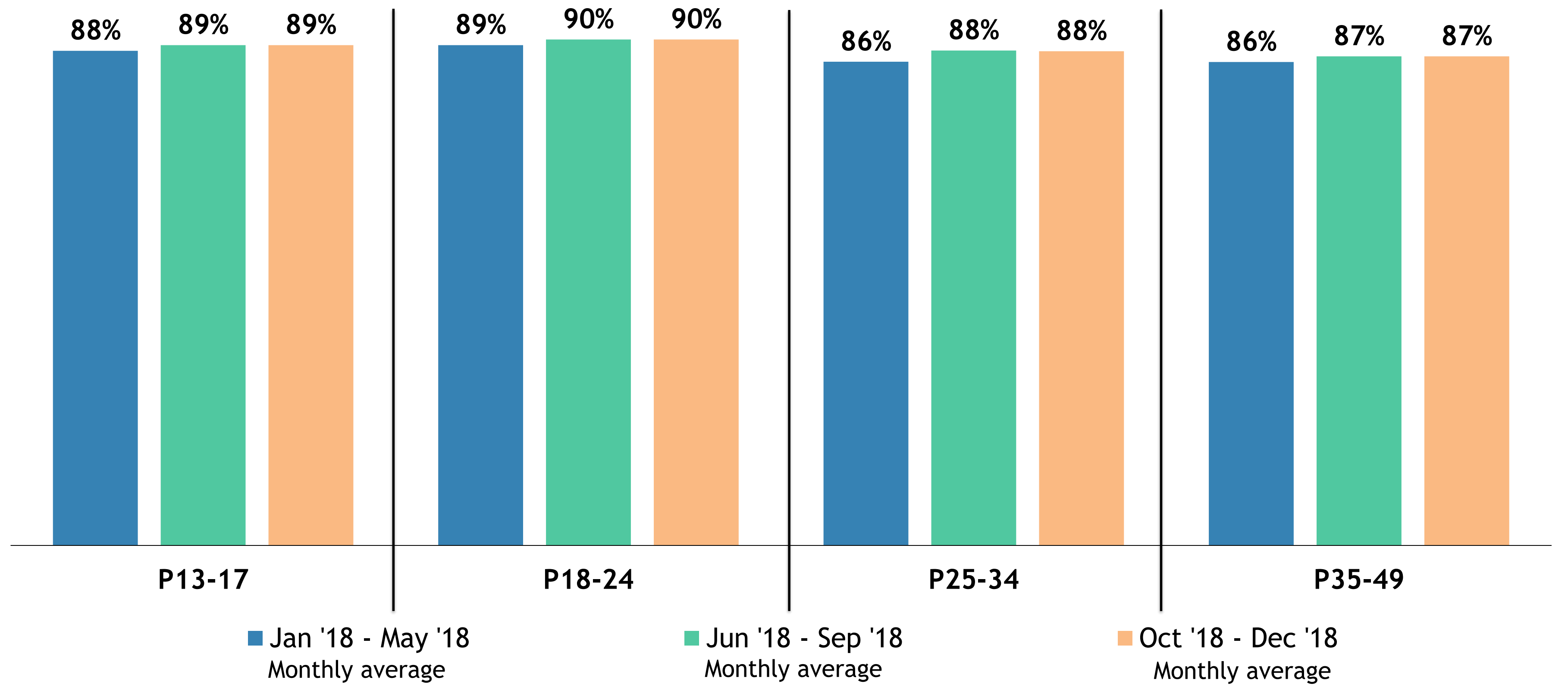
The Large Majority Of Ad-Supported TV Viewing During The Summer Is Done 'Live' And Is Even Slightly Higher Than Non-Summer Months

% of Ad-Supported TV Total Viewing Watched 'Live'
Household - Total Day



‘Live’ TV Also Represents The Large Majority Of Ad-Supported TV Viewing Across Demos, With Summer Months Very Similar To Non-Summer Months

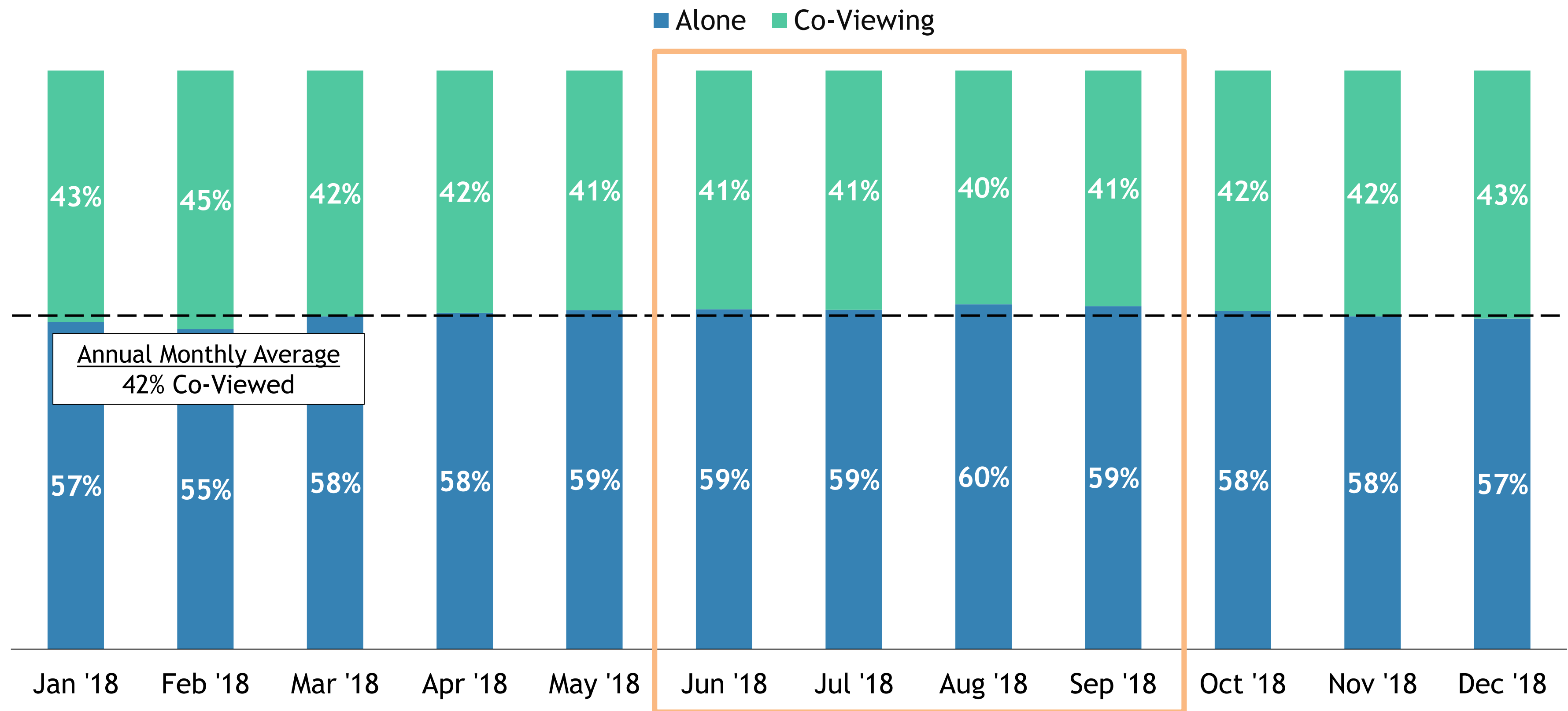
% of Ad-Supported TV Total Viewing Watched ‘Live’
Based on Monthly “Total Day” Average



Source: VAB analysis of Nielsen Npower R+F Time Period Report, based on TV demo population, Total Day, broadcast + cable TV, based on standard calendar months in 2018, Live & Live+7

Summer Primetime TV Co-Viewing Levels Are Also In Line With Non-Summer Months

% of Ad-Supported TV Programming Co-Viewed
P2+, Primetime

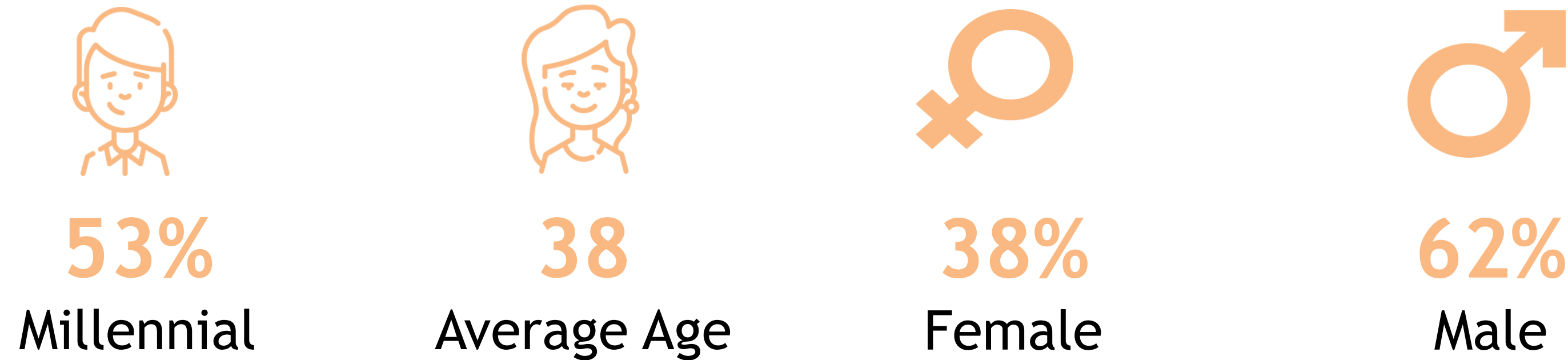


Source: VAB analysis of Nielsen Npower Co-Viewing Program Report, Primetime, P2+ Primary Target, P2+ Secondary Target, Ad-Supported Cable and Broadcast, based on standard calendar months in 2018, Live+7

Co-Viewing Extends To Summertime 'Out-Of-Home' Sports Fans Who Like To Go Out And Watch Games With Friends

These Fans Are Attentive And Skew Millennial & Male

Who Are The Out-Of-Home Linear TV Sports Viewers?

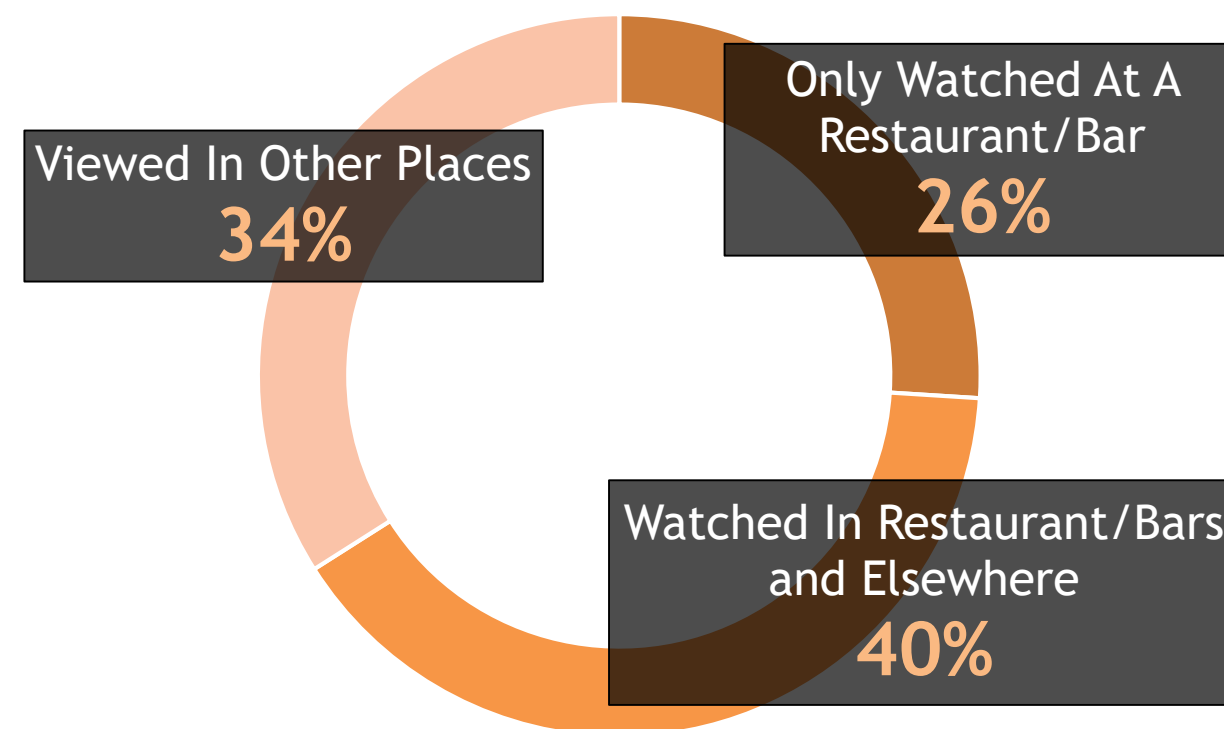


Are They Watching Summer Sports In Groups?



P18+: **3.4** People
 Females: **3.5** People
 Males: **3.3** People

Where Do They Choose To Watch?



74% viewed in other locations beyond restaurants / bars

Are They Listening and Attentive?

 **66%**
 of 'Out-Of-Home' Sports Viewers were able to hear all of the program

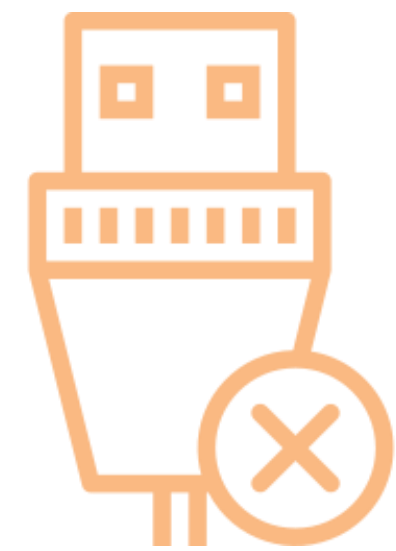

 Most summer sports viewers pay attention to at least **50%** of both ads and telecast

Staying Connected:
Quenching The Thirst For Content
Across Screens



Even When
Americans Are On
Vacation, They Are
Not Likely To
'Disconnect' From
Technology

Most people don't 'disconnect' and many don't 'dial back' their time spent online during summer vacation



78%

of people do not
'disconnect' from
technology while on
vacation



87%

of Americans under 30 say
they're not likely to
unplug








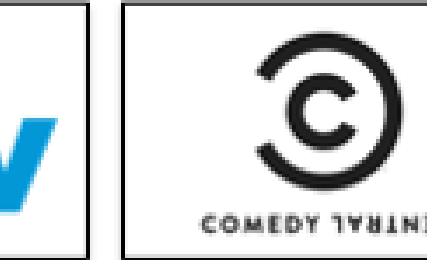







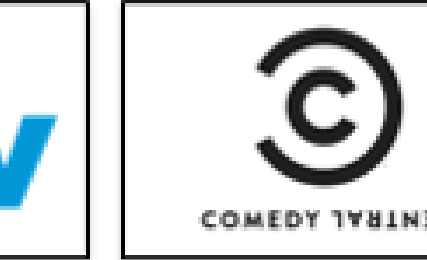







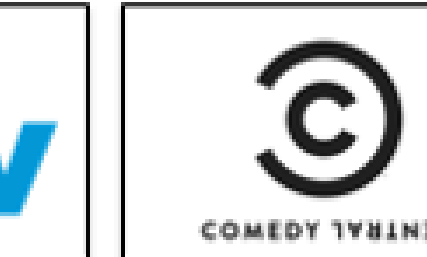


58%

of people don't 'dial back'
their time spent online
over summer vacations

There Is A Thirst For TV Content Online During The Summer As Many Ad-Supported TV Brands Rank In The Top 5 Digital Platforms Across Genres

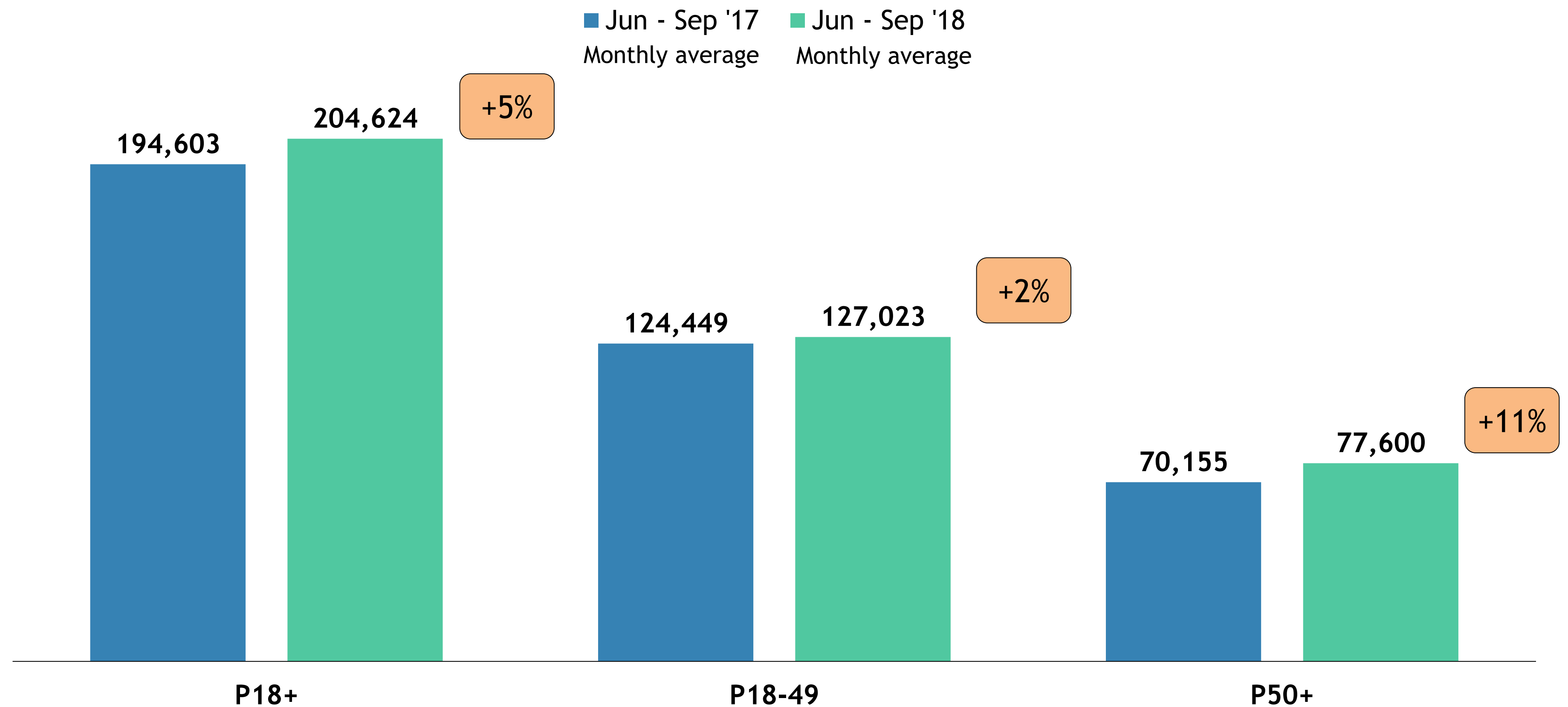
Ad-Supported TV Brands That Rank In The Top 5 Digital Platforms By Major Content Genre

	Sports	News	Entertainment-TV	Kids	Weather	Food	Home	Comedy
P18+								
P18-49								
P50+								

Source: VAB analysis of comScore Media Metrix Key Measures multi-platform (desktop + mobile) data, P18+, P18-49 and P50+, June 2018, based on categories (top 5 rankings based on "Total Minutes Viewed").

In Fact, Ad-Supported TV-Branded Digital Platforms Collectively Continue To Grow Their Unique Mobile Reach During The Summer

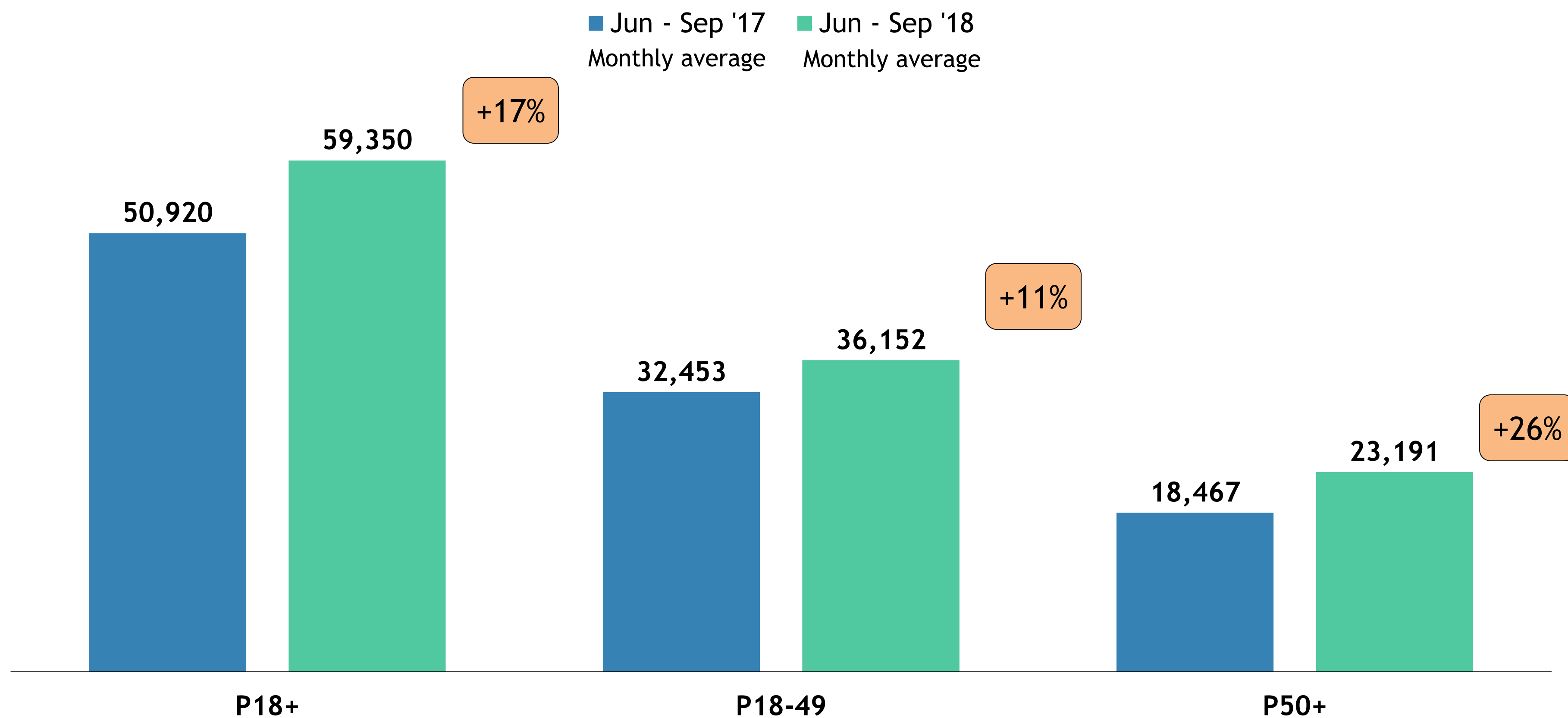
Ad-Supported TV-Branded Platforms' Mobile Reach: YoY Summer Comparison Based on Monthly Average During Summer Time Period



Source: VAB analysis of comScore MediaMetrix Audience Duplication, mobile only, unique visitors; P18+, P18-49, and P50+, 2017 and 2018 averages by summer months (June-September). Ad-Supported Television Brands represents all measured Ad-Supported Cable nets, Broadcast Television and MVPDs.

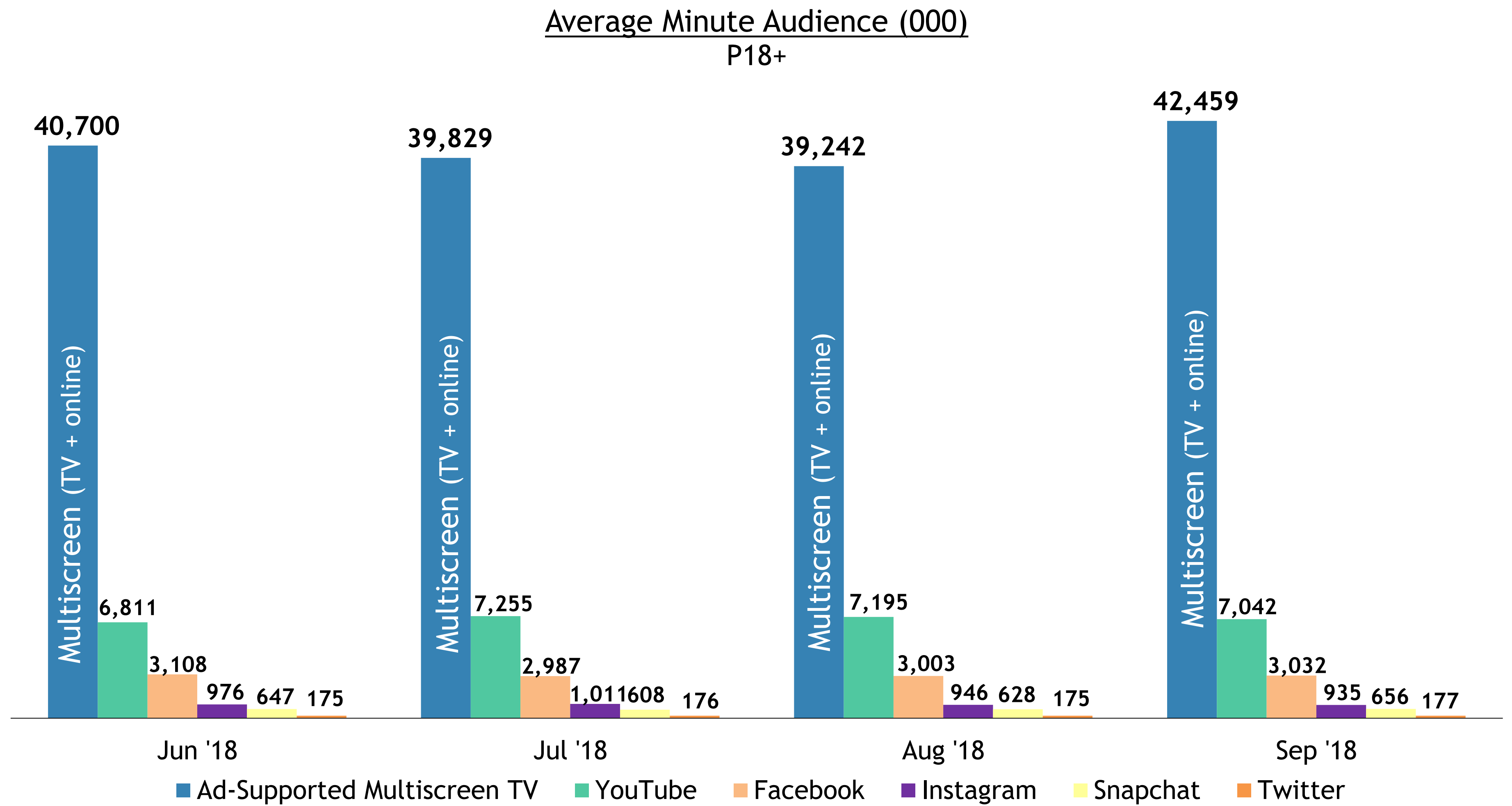
Continued Growth In Both Unique Reach And Average Usage Has Led To **Double-Digit Growth** In Total Minutes Spent On Ad-Supported TV-Branded Mobile Platforms During The Summer

Ad-Supported TV-Branded Platforms' Mobile 'Time Spent': YoY Summer Comparison Based on Monthly Average 'Total Minutes (MM)' During Summer Time Period



Source: VAB analysis of comScore MediaMetrix Audience Duplication, mobile only, total minutes (MM); P18+, P18-49, and P50+, 2017 and 2018 averages by summer months (June-September). Ad-Supported Television Brands represents all measured Ad-Supported Cable nets, Broadcast Television and MVPDs.

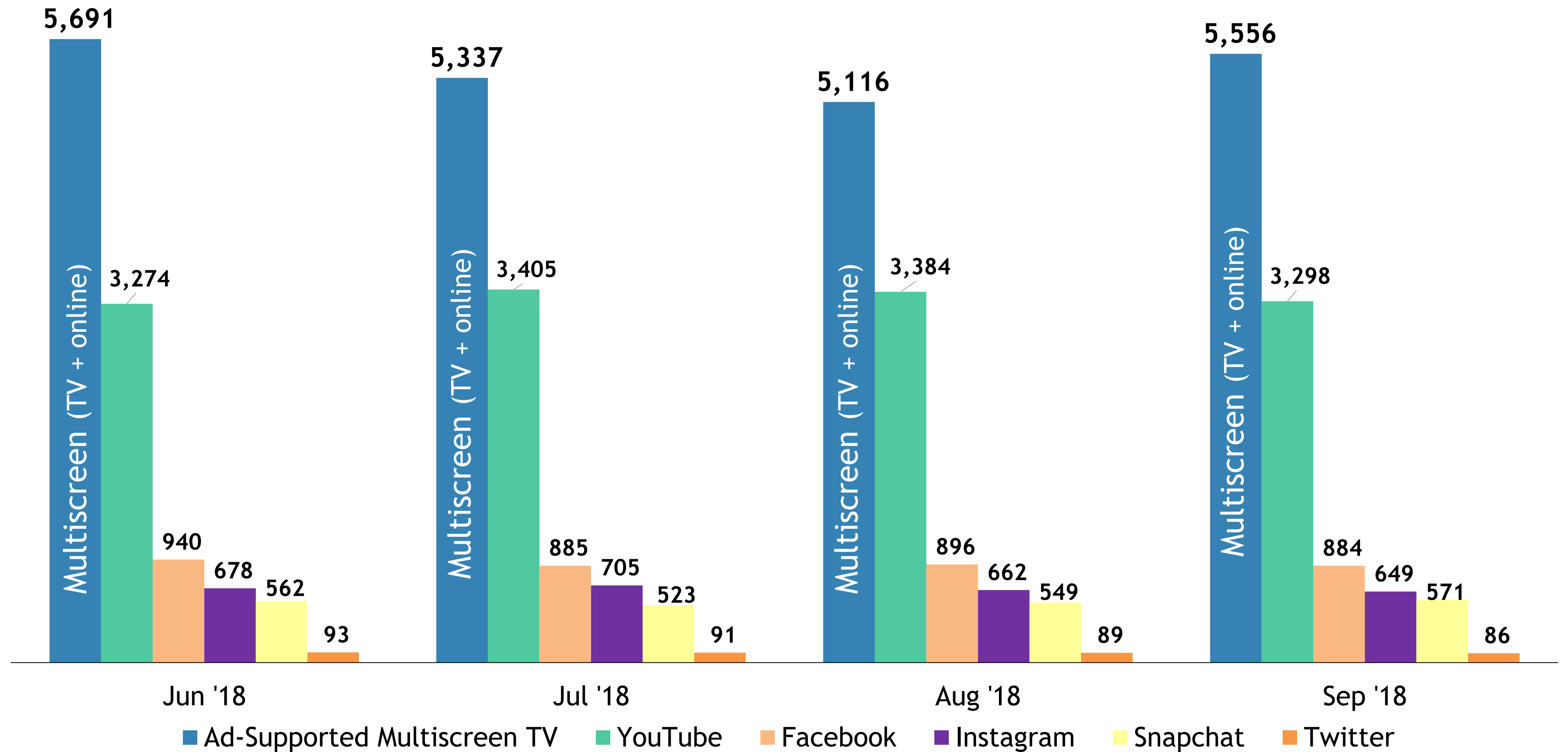
In Any Given Minute During The Summer, The Combined Multiscreen TV P18+ Audience Is, On Average, 13x Larger Than Facebook And 6x Larger Than YouTube



Source: multi-screen TV data based on VAB Analysis of Nielsen Npower R+F Time Period Report, 2018, P18+, Live+7, includes all ad-supported TV viewing sources & VAB analysis of comScore audience duplication, P18+, 2018 data (mediamatrix, multiplatform). Ad-Supported Television Brands represents all measured Ad-Supported Cable nets, Broadcast Television and MVPDs. Digital platform data: comScore Media Trend, P18+, 2018 except for YouTube data which is based on VAB analysis of comScore Video Metrix, 2018, P18+.

Against Millennials, The Combined Multiscreen TV Audience During The Summer Is, On Average, **6x** Larger Than Facebook And **60%** Larger Than YouTube

Average Minute Audience (000)
P18-34



Source: multi-screen TV data based on VAB Analysis of Nielsen Npower R+F Time Period Report, 2018, P18-34, Live+7, includes all ad-supported TV viewing sources & VAB analysis of comScore audience duplication, P18-34, 2018 data (mediamatrix, multiplatform). Ad-Supported Television Brands represents all measured Ad-Supported Cable nets, Broadcast Television and MVPDs. Digital platform data: comScore Media Trend, P18-34, 2018 except for YouTube data which is based on VAB analysis of comScore Video Metrix, 2018, P18-34.



Sizzling Summer Social Scene: Studying Social Conversations Across Holidays

Ad-Supported TV
Collectively
Accounted For **Over
Two-Thirds** Of The
Top 10 Trending
Twitter Topics In
Primetime Across
Summer Holiday
Time Periods In 2018

68% of the aggregated top 10 trending topics across the monitored Summer holidays were
Ad-Supported TV-related topics



Memorial Day Weekend
Friday (5/25) - Monday (5/28)
(8:00p-11:00p)

67%
Overall Total % of
TV-Topics in Top 10
During Primetime



July 4th Holiday
Tuesday (7/3) - Wednesday (7/4)
(8:00p-11:00p)

46%
Overall Total % of
TV-Topics in Top 10
During Primetime

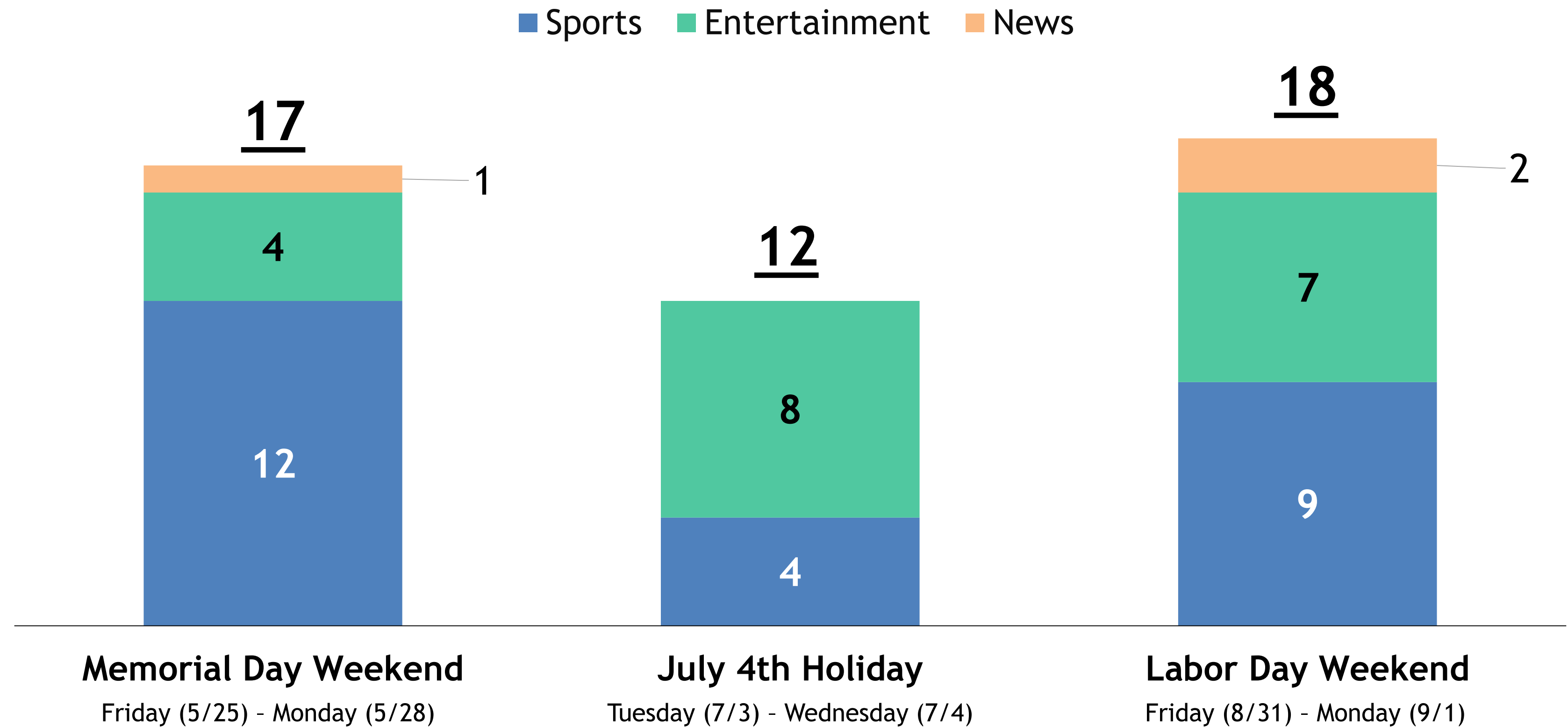


Labor Day Weekend
Friday (8/31) - Monday (9/3)
(8:00p-11:00p)

80%
Overall Total % of
TV-Topics in Top 10
During Primetime

Genre Parity:
 Sports Made Up 53%
 And Entertainment
 Made Up 40% Of
 Ad-Supported TV
 Programs That
 Trended In The
 Top 10 Across The
 Three Summer
 Holiday Periods In
 2018

of TV Trending Programs In The Twitter Top 10 During Each Holiday Time Period



Source: VAB custom analysis of Top 10 trending Twitter Topics (United States) each night (8:00p, 9:00p, 10:00p, 11:00p) aggregated during summer holiday time periods (5/25/18-5/28/18, 7/3/18-7/4/18, 8/31/18-9/3/18). Geography reflects U.S. - based Twitter trending data.

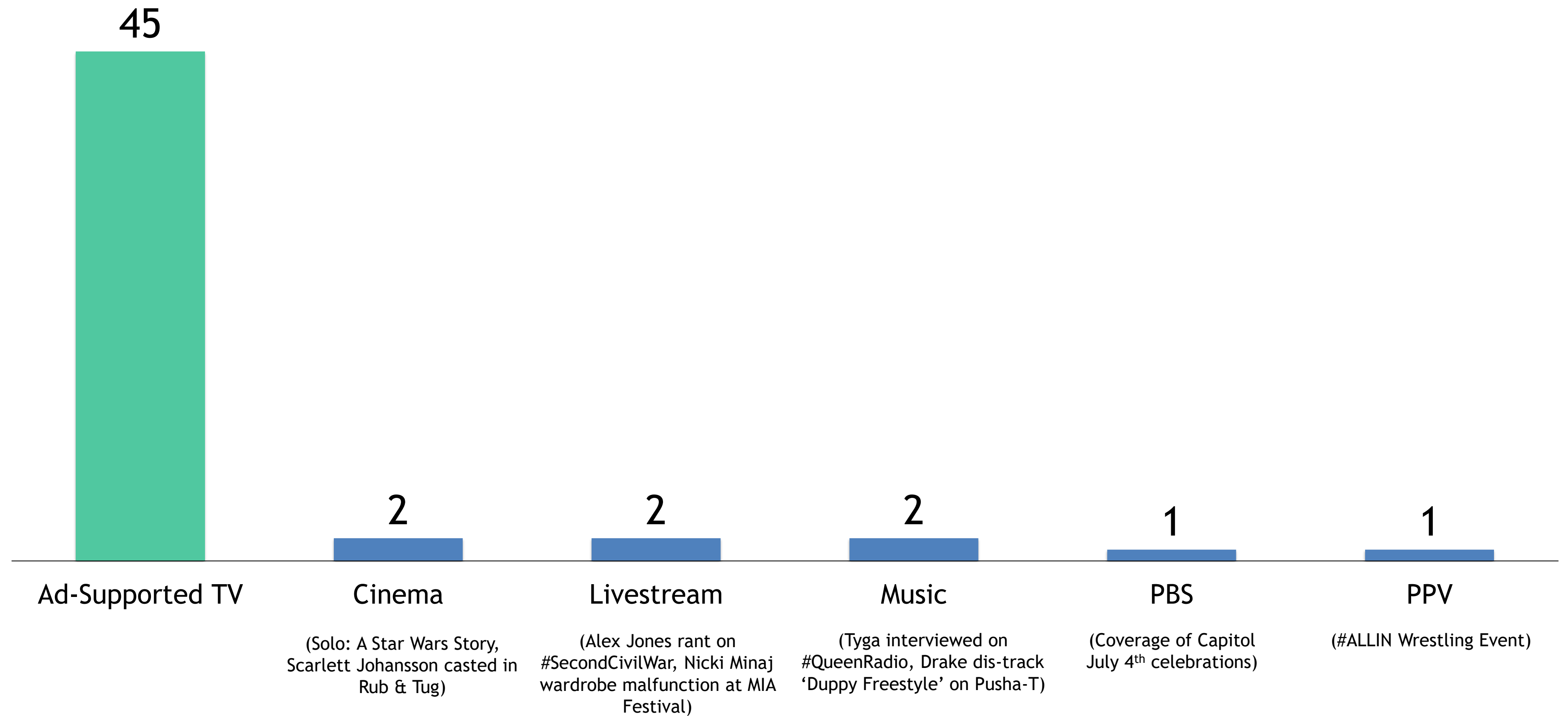
45 Ad-Supported TV Programs Trended In The Top 10 Across The Three Summer Holiday Periods



Source: VAB custom analysis of Top 10 trending Twitter Topics (United States) each night (8:00p, 9:00p, 10:00p, 11:00p) aggregated during summer holiday time periods (5/25/18-5/28/18, 7/3/18-7/4/18, 8/31/18-9/3/18). Geography reflects U.S. - based Twitter trending data.

Even During Summer Holidays When Friends & Family Are Gathered Together, Nothing Gets People Talking Online Like Ad-Supported TV Programs

Summer Holidays Monitored Time Period
of Unique Top 10 Programs / Content By Platform



Source: VAB custom analysis of Top 10 trending Twitter Topics (United States) each night (8:00p, 9:00p, 10:00p, 11:00p) aggregated during summer holiday time periods (5/25/18-5/28/18, 7/3/18-7/4/18, 8/31/18-9/3/18). Geography reflects U.S. - based Twitter trending data. Ad-Supported TV total doesn't add to 47 programs as laid out is slide 31 since two programs trended during multiple holidays.

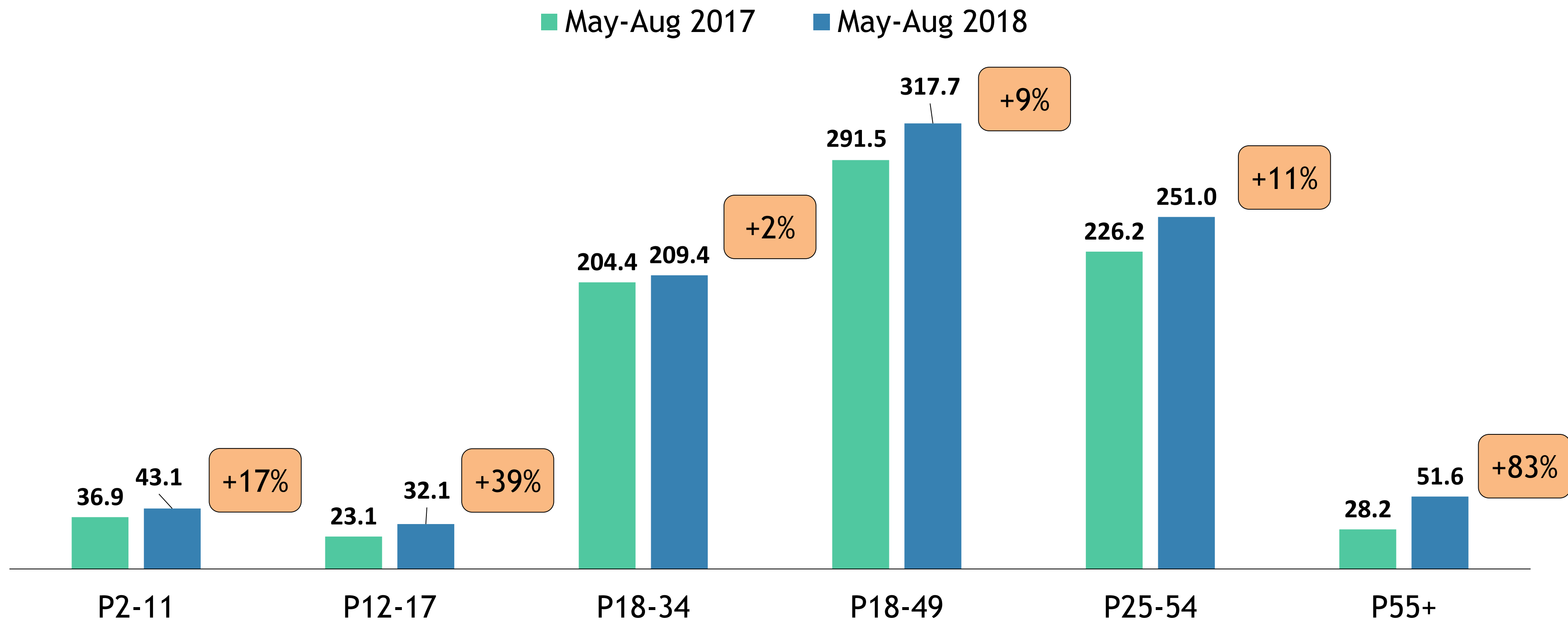


Summer In The Cinema: Going Wide With An Emphasis On Millennials

Total (P2+) Summer Cinema Admissions Were Up +17% YoY In 2018; With Increases Against All Major Demos

Cinema Admissions By Demo

May-August 2017 vs. 2018
(millions)



During The Summer, Cinema Is A Much More Millennial-Targeted Platform Than Online Among The Adult Population

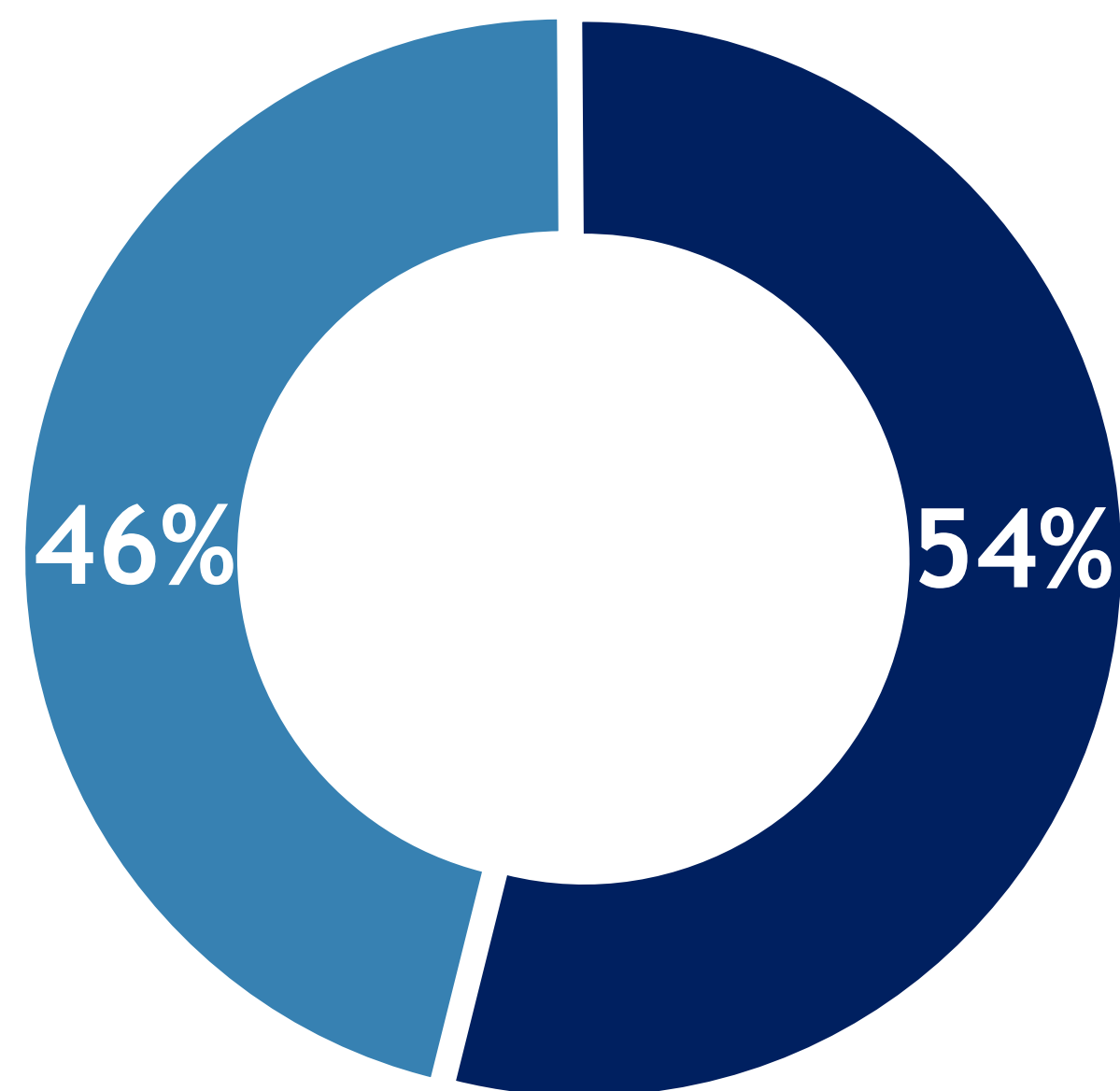
Demographic Composition By Platform

P18+, May - August 2018



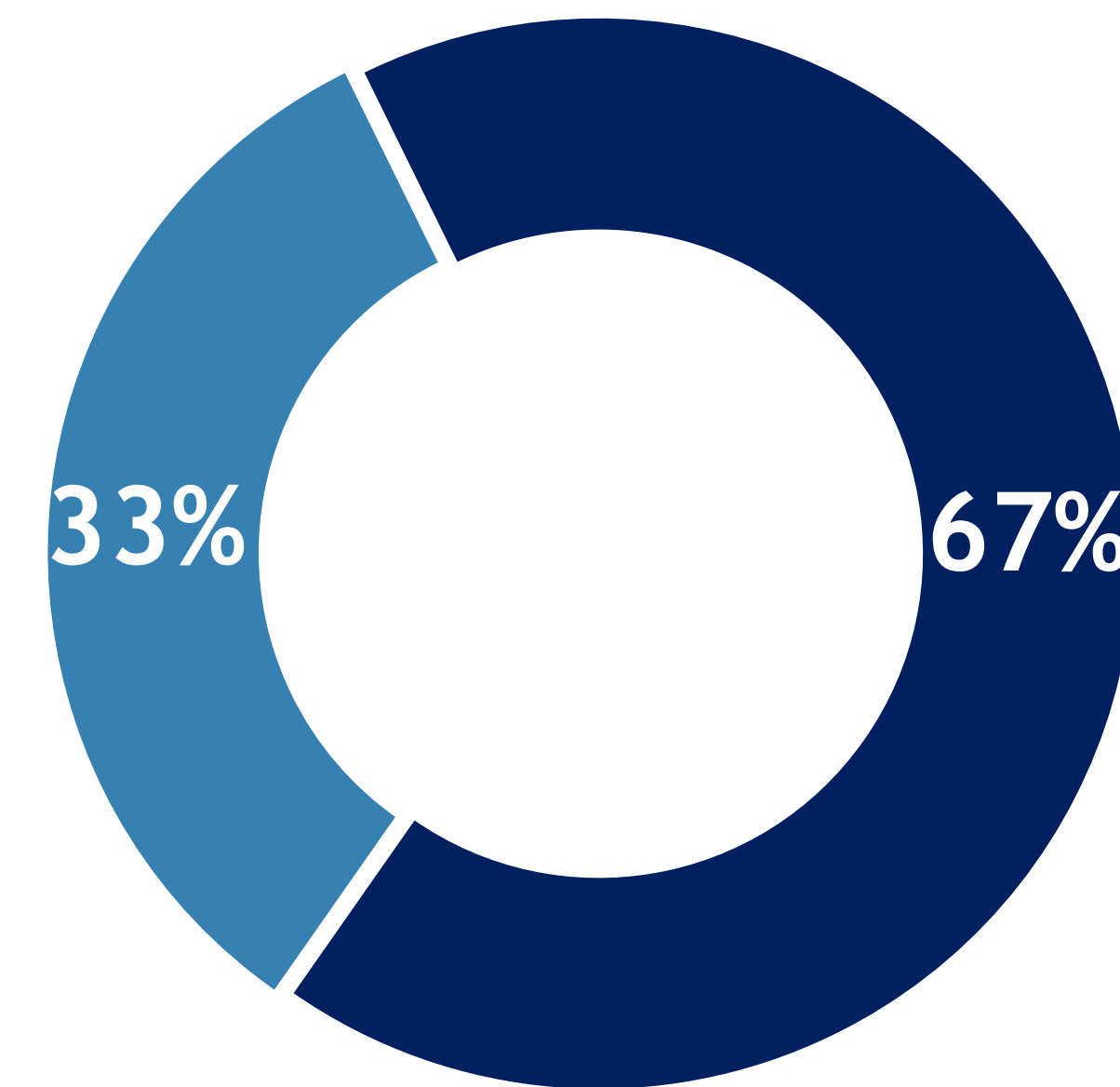
Cinema

■ P18-34 ■ P35+



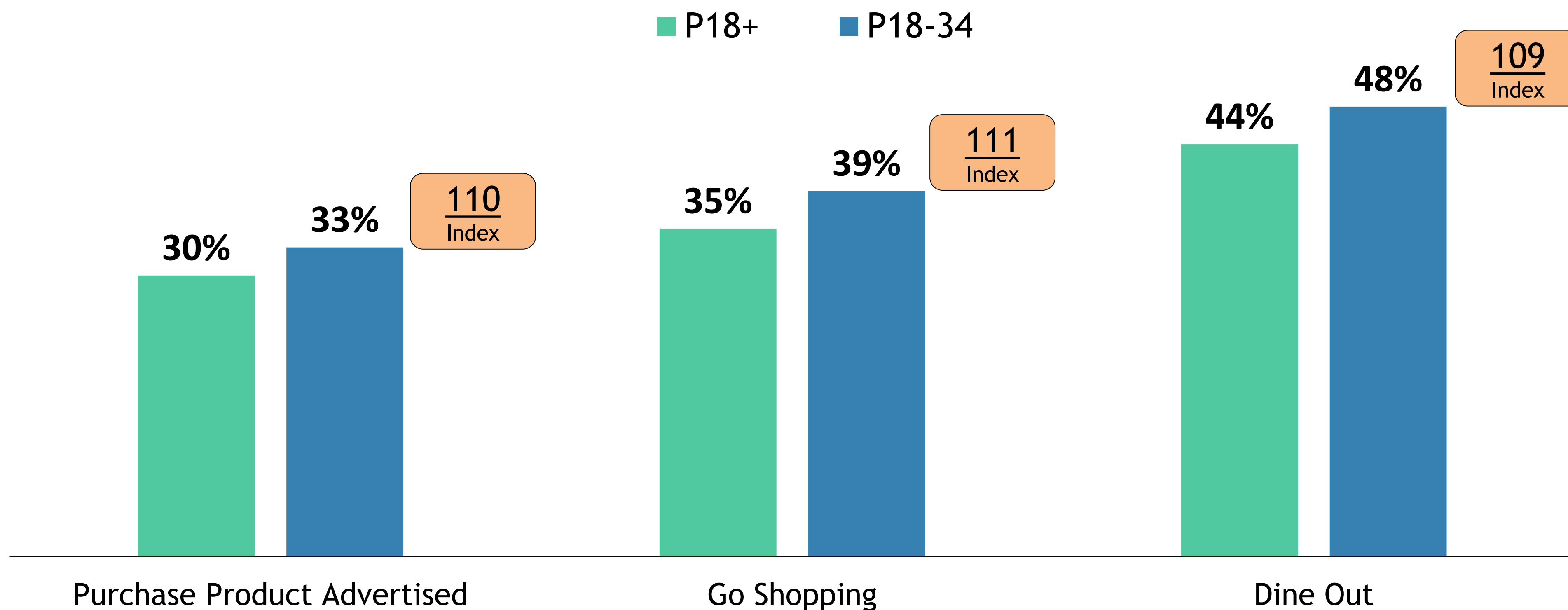
Online

■ P18-34 ■ P35+



Movie-Going Millennials In The Summer Are Even More Likely To Take An Action Based On Cinema Advertising Than The Average Adult

% Who Are “Likely” or “Very Likely” To Take A Specific Action As A Result of Seeing A Cinema Advertisement
April-August 2018

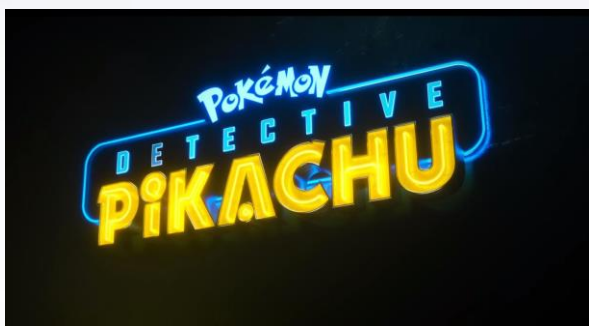


“Index” example: Millennials are 11% more likely than the average adult 18+ to say they’re likely or very likely to go shopping as a result of seeing a cinema ad.

Big Theatrical
Releases Are
Slated Throughout
Summer 2019
Featuring Engaging
Stories, Top Stars
& Popular
Franchises



April 26



May 10



May 24



May 31



May 31



June 7



June 7



June 14



June 21



June 28



July 5



July 19



July 26



August 9



August 16

Note: Some release dates are tentative

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