

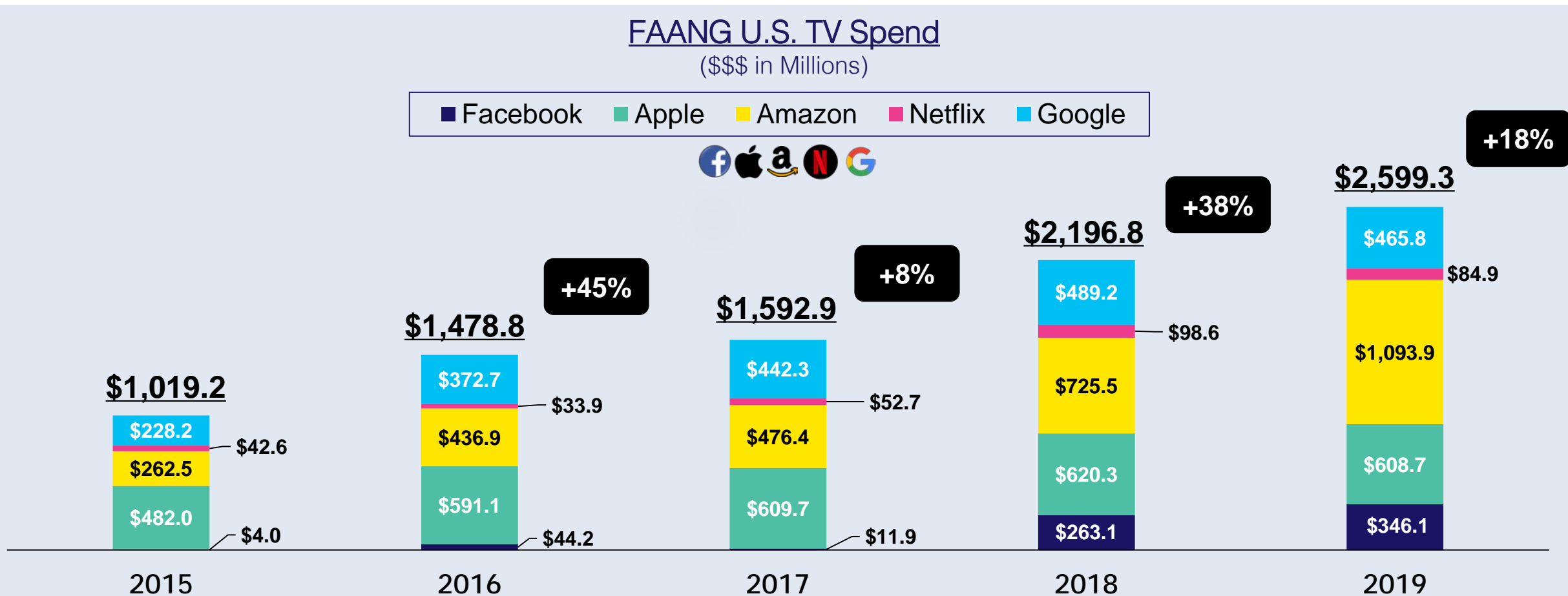


2020

The Rise Of FAANG

TV Ad Investment Strategies Behind
Today's Tech Giants

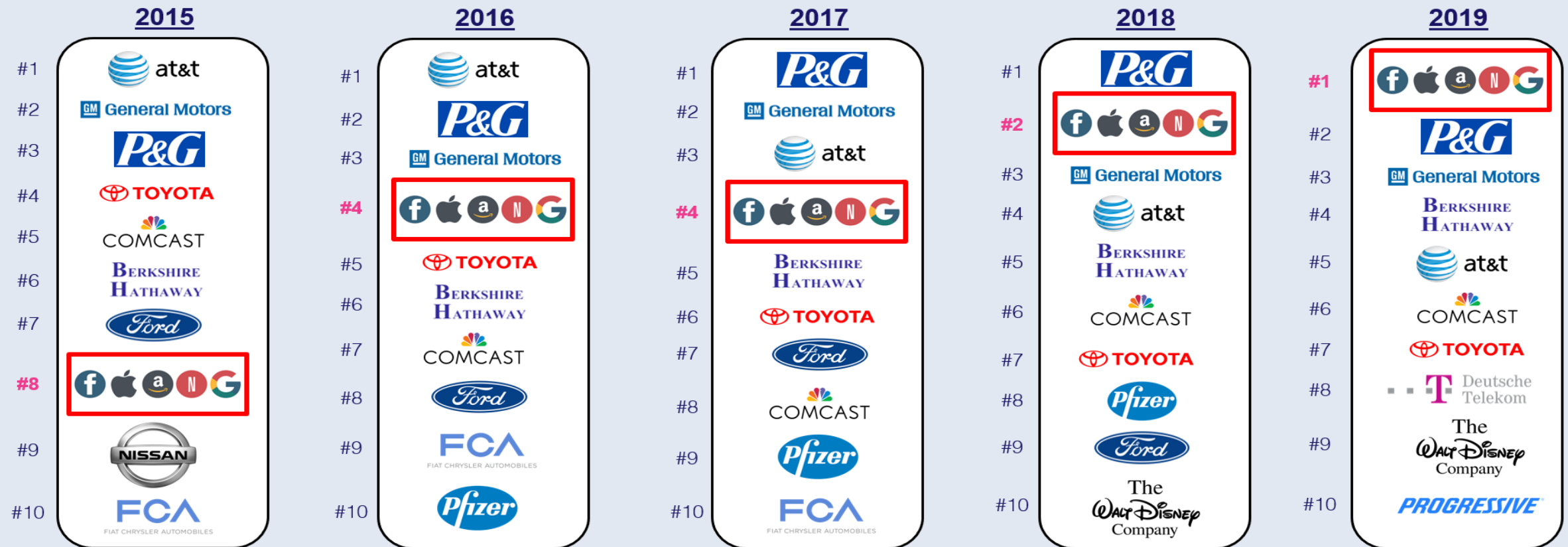
FAANG collectively spent **\$2.6 billion on TV** in 2019 and their increasing investment reflects a 26% compound annual growth rate over the last four years



Source: VAB analysis of Nielsen AdIntel, calendar year 2015-2019, as of February 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. FAANG includes: Facebook, Apple, Amazon, Netflix and Google.

Collectively, FAANG ranked as the **top TV spender** in the U.S. for 2019, spending \$450 million more than the second largest TV advertiser, P&G

TV Spenders Ranked By Parent Companies

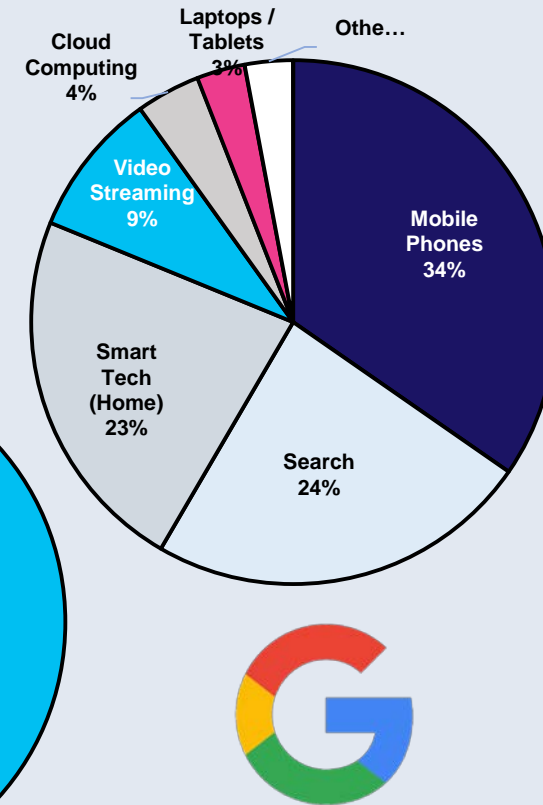
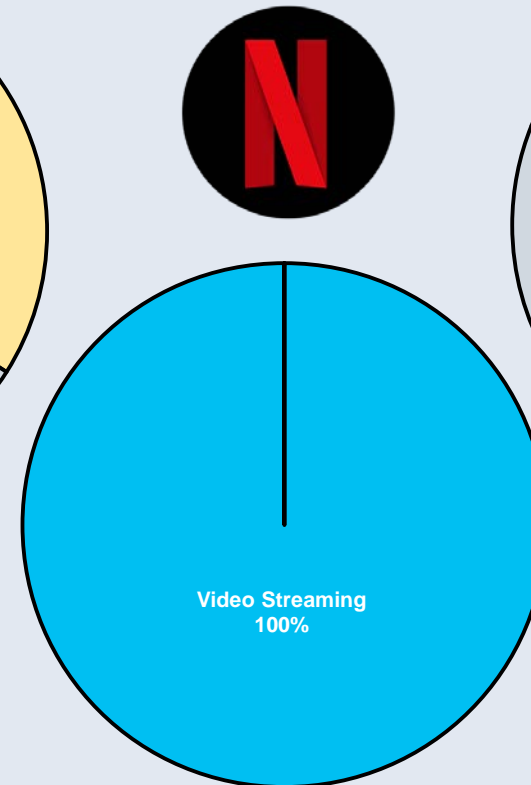
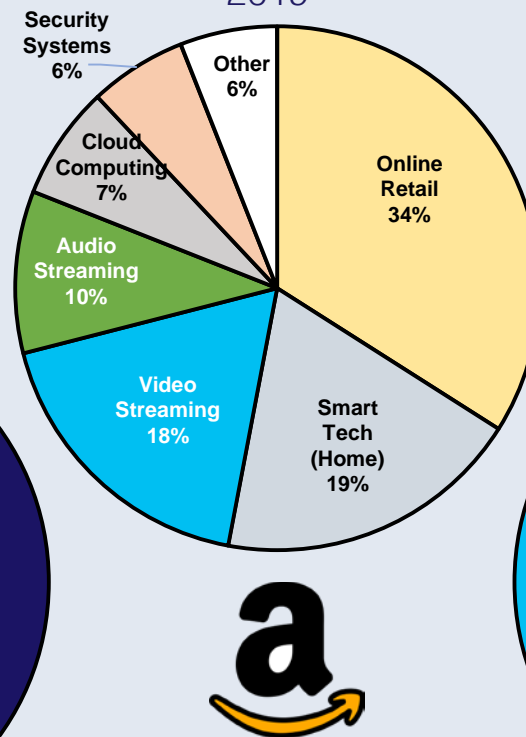
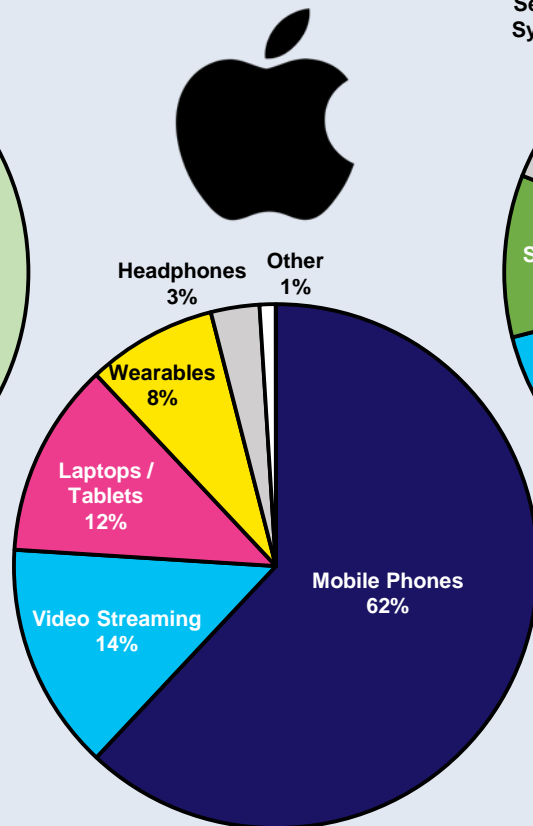
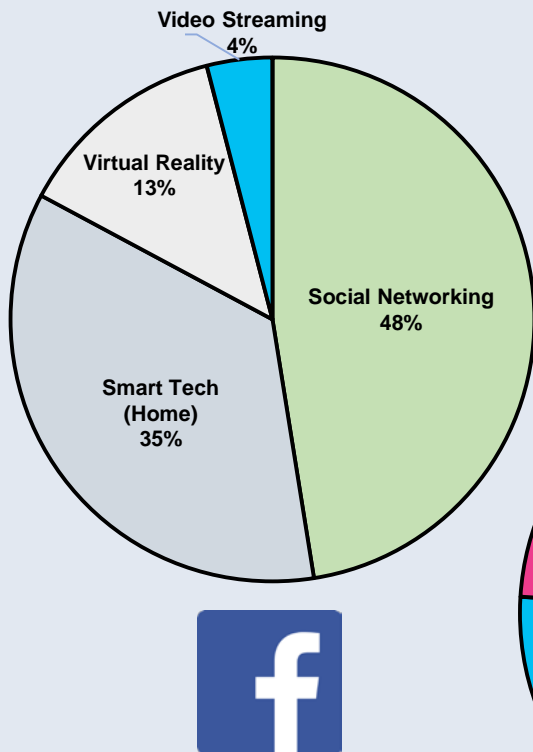


Source: VAB analysis of Nielsen AdIntel, calendar year 2015-2019, as of February 2020. TV spend includes cable TV, broadcast TV, Spanish language cable TV, Spanish language broadcast TV, spot TV, and syndicated TV. U.S. TV spend only. Rankings are based on total TV spend for parent companies as they are currently structure (as of February 2020) and retroactively include TV spend from previously acquired or merged companies (example: Walt Disney Company's TV spend between 2015-2019 includes 21st Century Fox TV spend during the entire time period). FAANG includes: Facebook, Apple, Amazon, Netflix and Google.

In 2019, FAANG focused their TV spend on overall branding and core products with video streaming collectively accounting for 16% of spend

FAANG's % of TV Spend By Category

2019



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Beyond increased branding, FAANG advertised multiple products and services through TV to reach desirable, tech-enthusiast audiences at scale

FAANG's Top Products & Services Advertised on TV

2019

Facebook Groups

Portal

Facebook Watch

Oculus Quest

iPhone 11

iPad

Apple TV+

Apple Watch 5

AirPods

Beats by Dr. Dre

MacBook

amazon

amazon Prime

amazon.com web services

Echo

Ring Video Doorbell

Amazon Fire TV

audible

NETFLIX

NETFLIX Branding

THE IRISHMAN

UNDERGROUND

NETFLIX

OUR PLANET

Google

Google Search

Pixel 4

Nest

YouTube TV

Google Home

Google Cloud



Source: VAB analysis of Nielsen AdIntel, calendar year 2015-2019, as of February 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. FAANG includes: Facebook, Apple, Amazon, Netflix and Google.

Several brands have major partnerships with sports leagues which includes heavy advertising and placement exposure during live televised events



Apple-owned Beats By Dre is now the NBA's official headphones partner



YouTube TV Renews MLB Marketing Pact, Will Sponsor 2018 and 2019 World Series



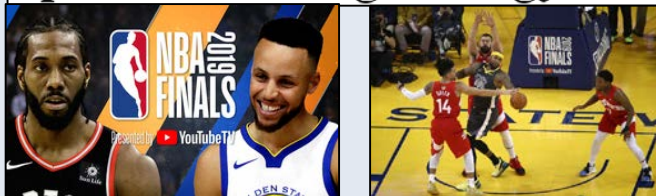
AdAge

GOOGLE CLOUD FEATURES STUDENTS IN MARCH MADNESS CAMPAIGN

The company enters year two of its NCAA sponsorship



YouTube TV Lands NBA Finals Sponsorship, Building on Sports-Marketing Strategy



NFL, Amazon Web Services team up for player health initiative

In addition to sports, FAANG invests heavily within culturally relevant live shows (specials, awards, morning/late night talk) and popular entertainment programs

Top TV Programming By Spend

2019



Source: VAB analysis of Nielsen AdIntel, calendar year 2015-2019, as of February 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. FAANG includes: Facebook, Apple, Amazon, Netflix and Google. Above charts reflect 25 of the top TV programming based on expenditures from Nielsen AdIntel. Note: TV programming is not listed in order of expenditure but rather loosely grouped by sports, live events and scripted/reality entertainment programming.

Each brand buys deep with an average of 78 broadcast and cable TV networks spanning a variety of genres and demographic targets to achieve mass scale

Top 25 National TV Network By Spend

2019



(55 total Nat'l TV networks)



(73 total Nat'l TV networks)



(126 total Nat'l TV networks)



(73 total Nat'l TV networks)



(64 total Nat'l TV networks)



Source: VAB analysis of Nielsen AdIntel, calendar year 2015-2019, as of February 2020. Based on cable TV, broadcast TV, Spanish language cable TV, Spanish language broadcast TV spend only (excludes spot TV and syndicated TV.) U.S. TV spend only. FAANG includes: Facebook, Apple, Amazon, Netflix and Google. Above charts reflect the 25 top national TV networks based on expenditures from Nielsen AdIntel. Note: TV networks are not listed in any particular order.

Key takeaways about FAANG's growing TV investment and their rise to becoming the top TV spender



Brand Building & Top-Of-Mind Awareness

In this highly competitive environment, even the most ubiquitous brands need TV to keep their brand name, and core product offerings, continually 'top-of-mind' among a broad audience and grow market share.



New Product / Service Launch Support

The mass reach and engagement of TV allows brands to quickly build scale in support of new product/ services launches and the storytelling nature of the medium allows them to differentiate the product / service and its' features from competitors.



Maximizing Reach And Impact

Complementing impact with TV continuity through a mix of high-profile sports and live event programming during the year coupled with a deep roster of broadcast and cable networks covering a variety of demographic and psychographic segments.



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