

TIME SPENT WELL

AN ANALYSIS OF HOW VIEWERS SPEND TIME &
HOW ADVERTISERS **(SHOULD)** SPEND MONEY

BY EVAN SHAPIRO

“DAILY USE”

SOURCE: GWI. | CHART: ESHAP

BRIEF:

Much has been made lately about “streaming surpassing linear TV viewing.”

When **you look closely**, this is not what the data says. Streaming is growing quickly and will surpass traditional TV network viewing in the next two years.

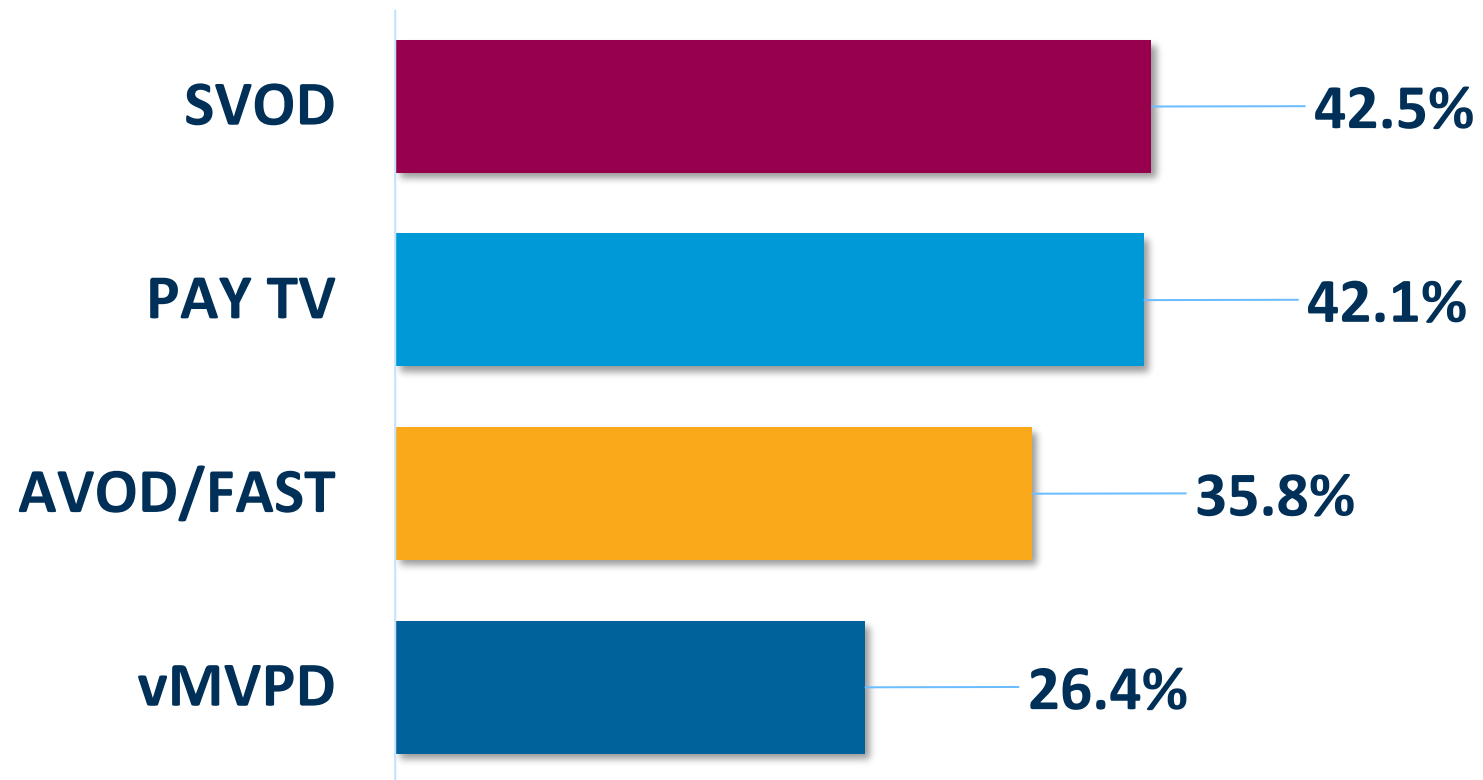
But... while streaming trend followers tend to focus on binges, sustained, repeated, live linear CTV viewing is big and growing, fast (and not just on FAST!). For marketers, live linear CTV offers something rare in the streaming universe... persistent premium engagement.

For effective efficiency on CTV, one KPI now stands out: Daily Time Spent.



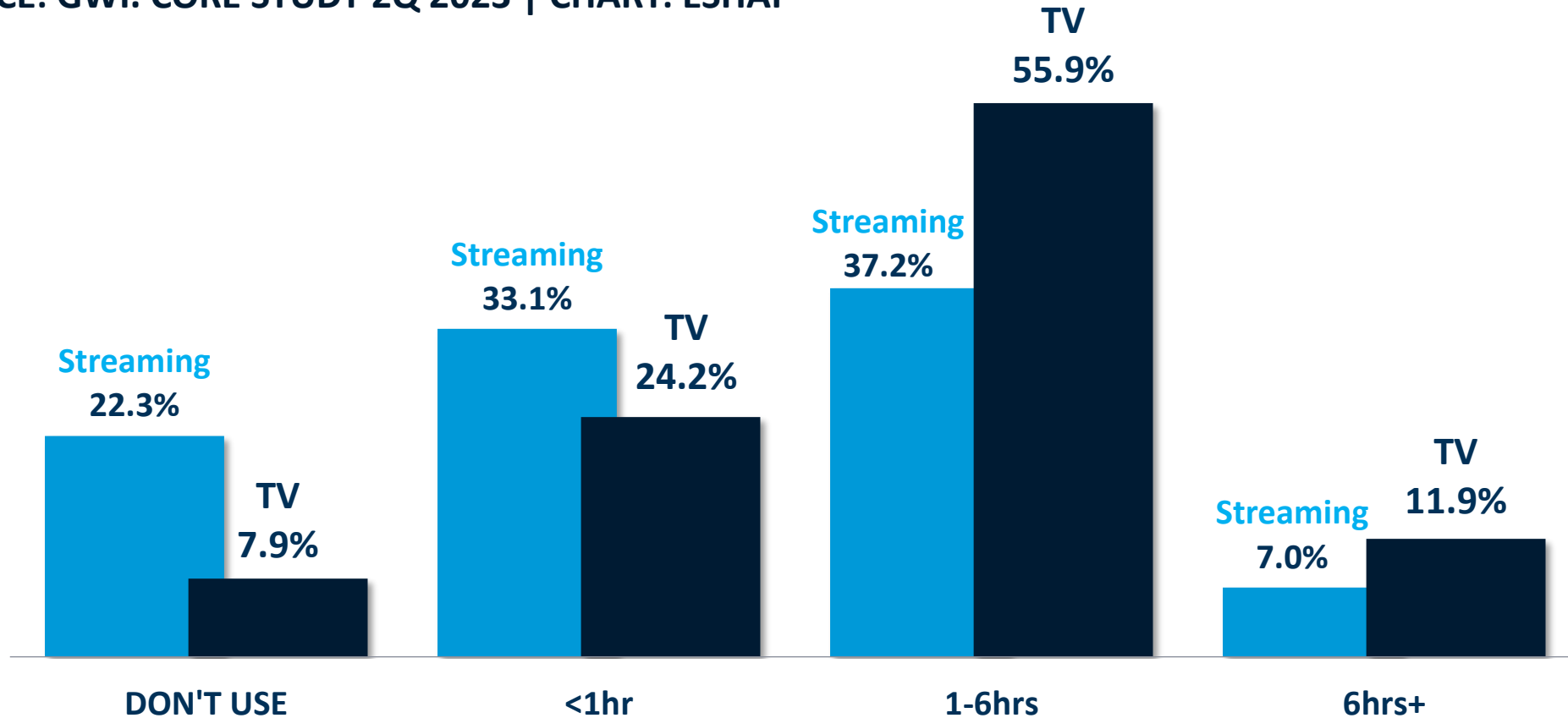
PRIME TIME VIEWING BY CATEGORY

% WHO USE EACH | SOURCE: TIVO | CHART: ESHAP



“DAILY USE”

SOURCE: GWI. CORE STUDY 2Q 2023 | CHART: ESHAP



US VIDEO ADVERTISING BUSINESS (billions)

SOURCE: FOR TV & CTV – eMARKETER | FOR DIGITAL/SOCIAL VIDEO – iAB | CHART: ESHAP

BRIEF:

The fast growth of audiences on CTV and Social Video have been matched by reallocations of media budgets by brands and sponsors.

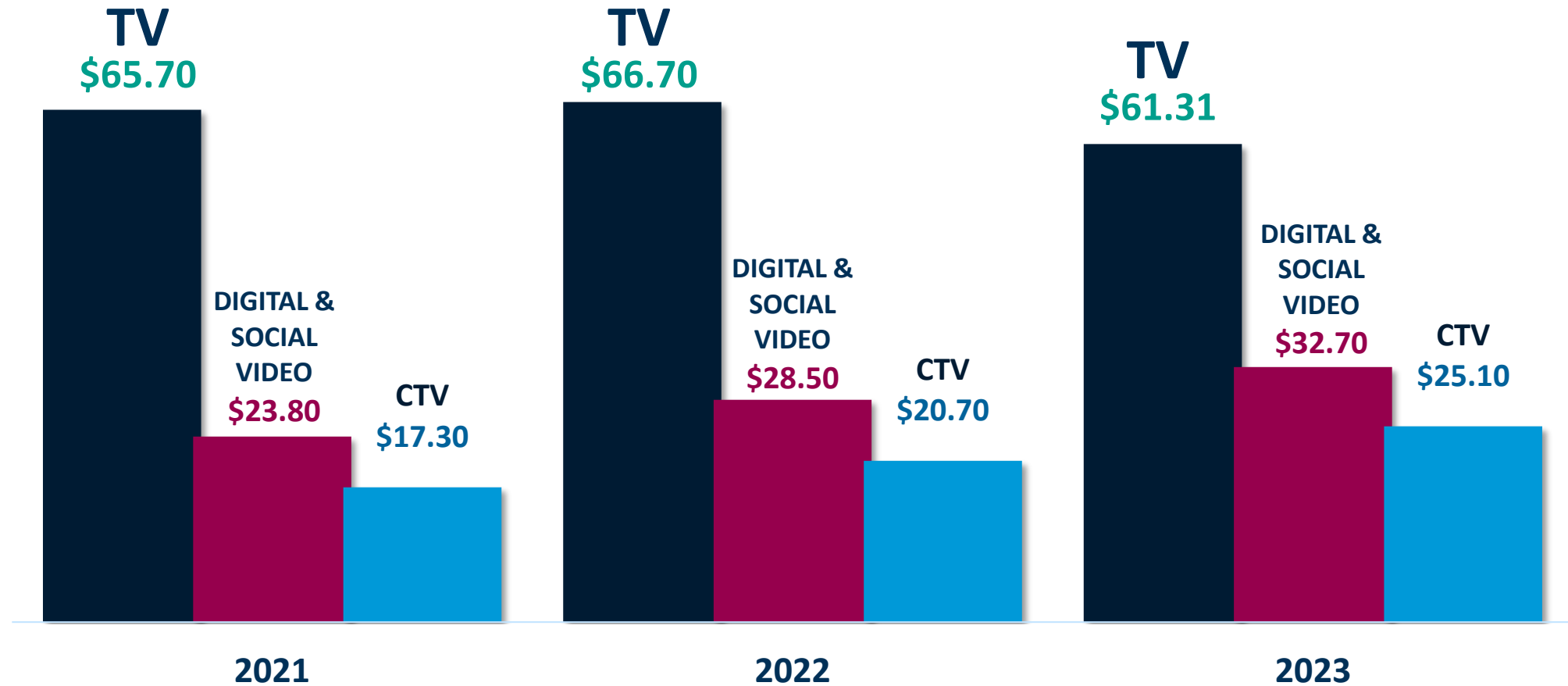
But, in streaming video, not all impressions are equal. The effectiveness of a TV ad is directly connected to how engaged viewers are when they see it. This is precisely why so much of CTV is so focused on Live and Sports.

More than ever, environment matters.



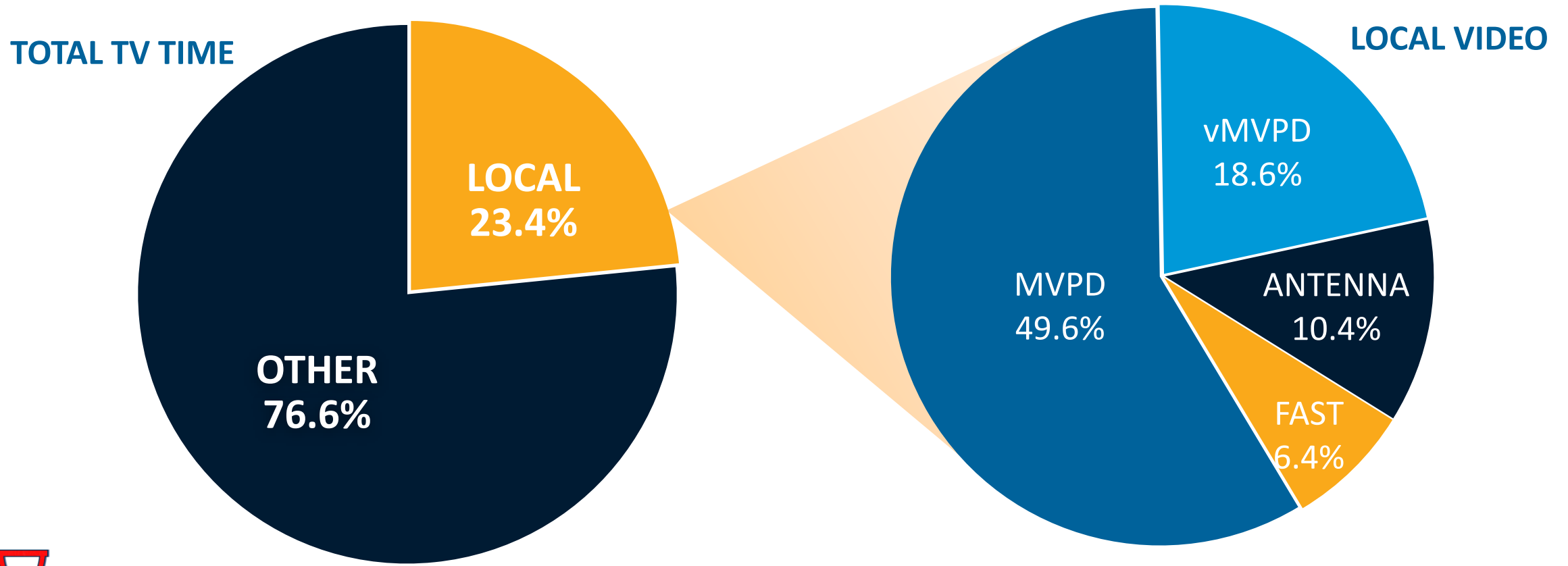
US VIDEO ADVERTISING BUSINESS (billions)

SOURCE: FOR TV & CTV – eMARKETER | FOR DIGITAL/SOCIAL VIDEO – iAB | CHART: ESHAP



LOCAL TV TIME

SOURCE: TIVO | CHART: ESHAP



WHICH BEGS A QUESTION:

If 40 percent of time is now streaming TV, and 50 percent remains on traditional TV, *and the TV campaigns brands run across traditional and streaming TV are similar, if not the same...*

Why do so many buyers *still* silo traditional TV and streaming CTV?

ANSWER:

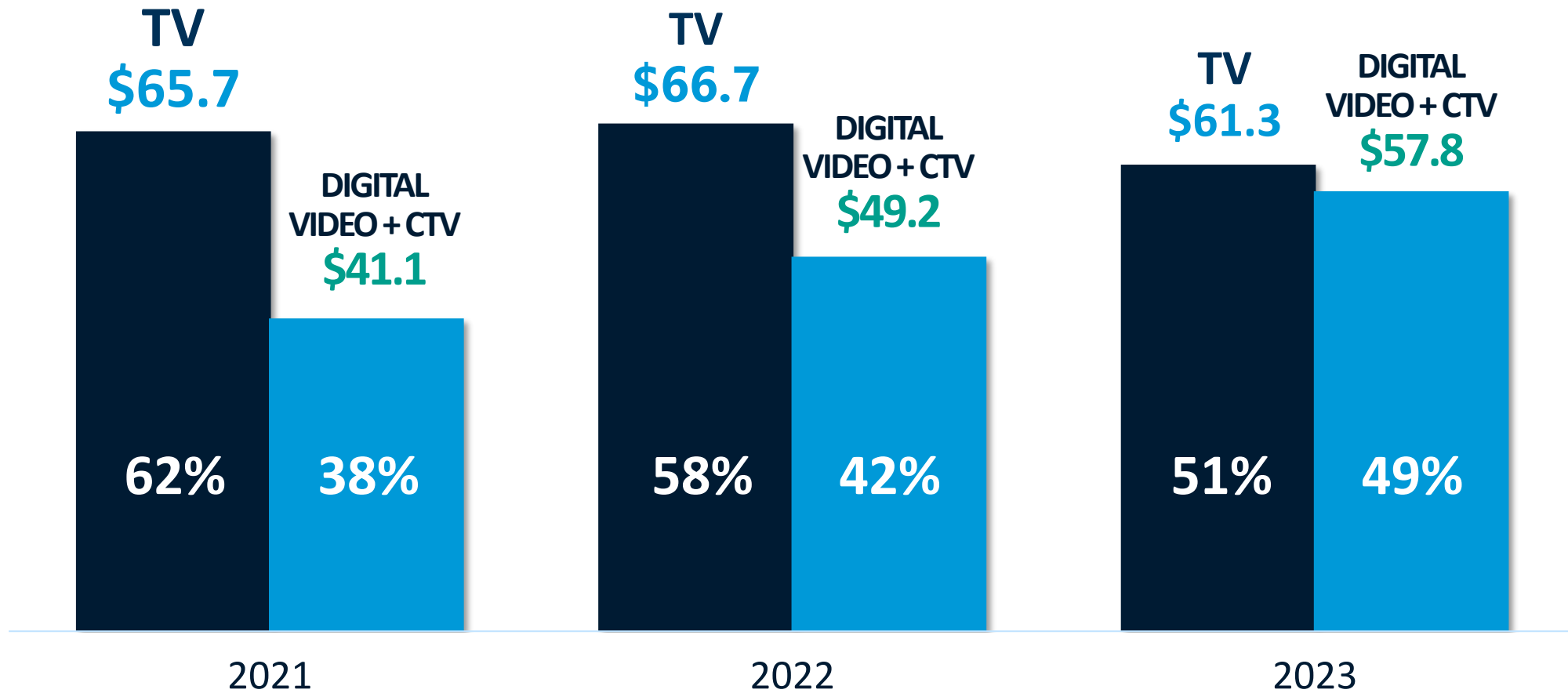
Because many of us are still buying and selling TV advertising like it's 2018.

It's not.



US VIDEO ADVERTISING BUSINESS (billions)

SOURCE: FOR TV & CTV – eMARKETER | FOR DIGITAL/SOCIAL VIDEO – iAB | CHART: ESHAP



SHARE OF TIME SPENT W STREAMING - US

SOURCE: TVISION | CHART: ESHAP

BRIEF:

Legacy streamers like YouTube (now TV's biggest channel), Hulu and Netflix garner substantial streaming mindshare.

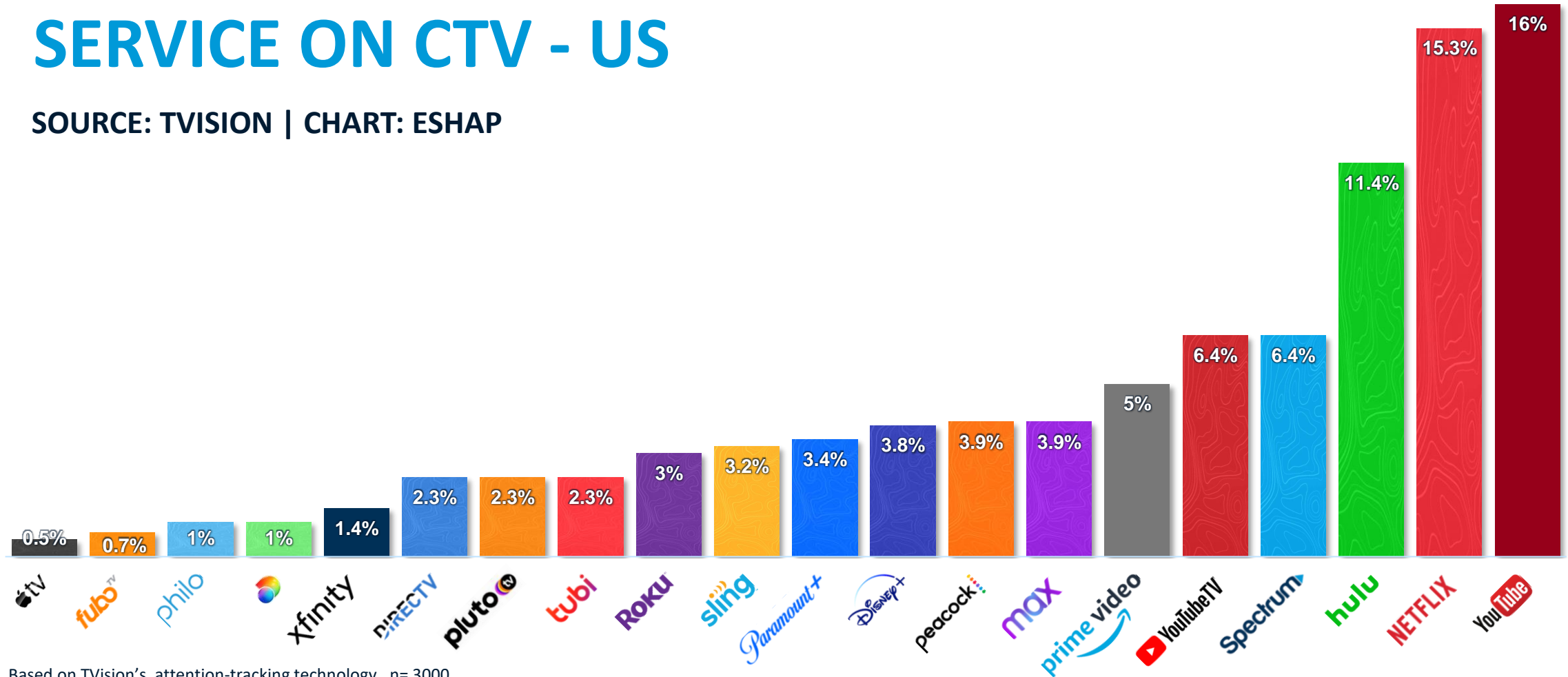
One big “ah-ha” the data gave me:

After the big three, the live vMVPD streamers punch far above their weight, with the two biggest, Spectrum Reach and YouTube TV, beating Prime, Max, Peacock, Disney, Tubi and Pluto for share of time spent.



SHARE OF TIME SPENT W STREAMING SERVICE ON CTV - US

SOURCE: TVISION | CHART: ESHAP



Based on TVision's attention-tracking technology . n= 3000



UNIQUE HHs

SOURCE: LEICHTMAN RESEARCH 2Q 2023 - COMPANY EARNINGS | CHART: ESHAP

BRIEF:

If you're surprised to see Spectrum Reach and YouTubeTV on that competitive level, don't be. Quietly, Charter Communications (which operates Spectrum Reach) has built the largest live streaming Pay TV service in the U.S.

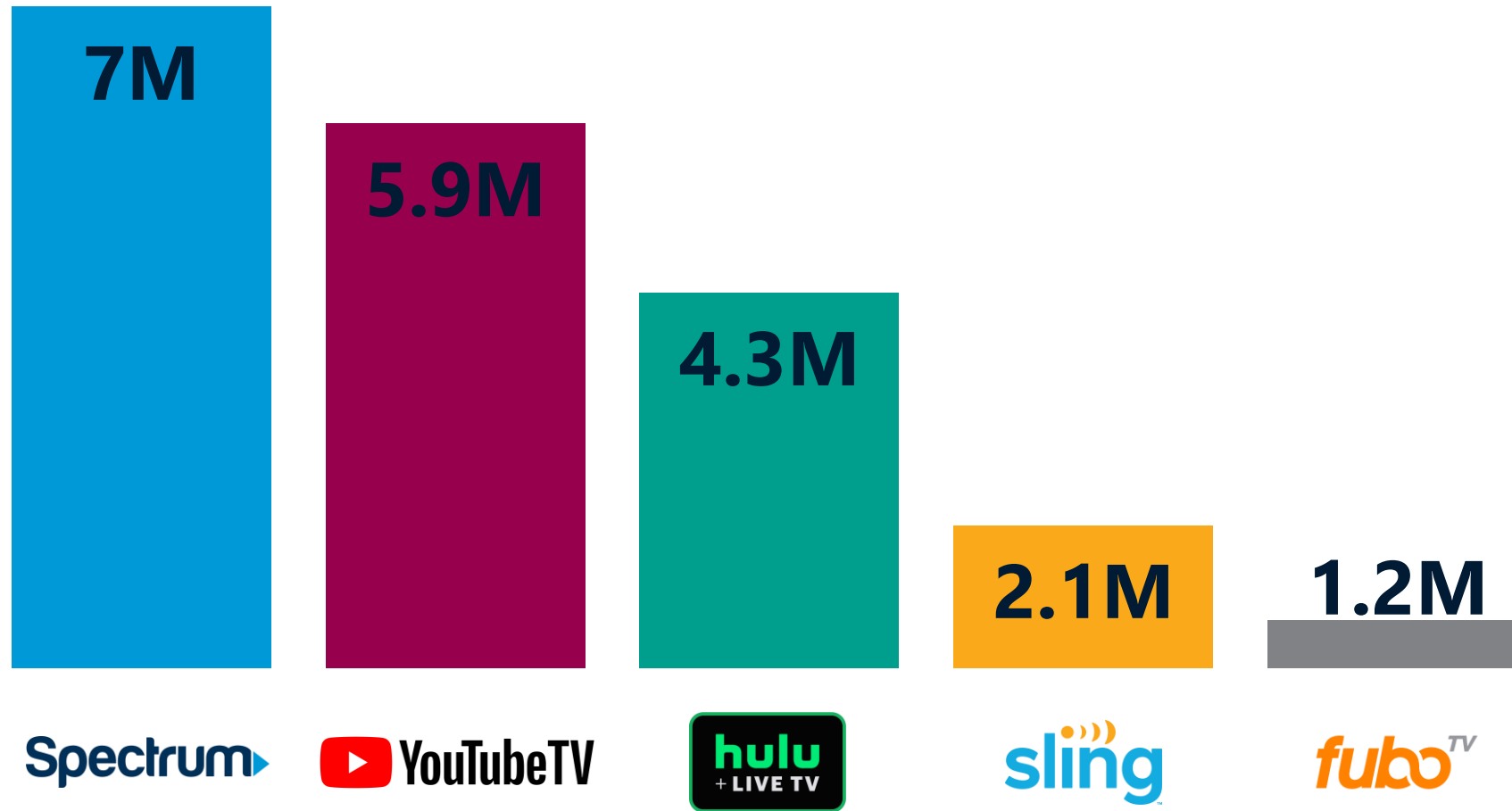
As I have been writing all year, they are also reconstituting the household bundle, with broadband, WiFi, streaming cable TV and the nation's fastest growing mobile service.

Because this is what consumers want – **entertainment bundled with utility.**



UNIQUE HHs

SOURCE: LEICHTMAN RESEARCH 2Q 2023 - COMPANY EARNINGS | CHART: ESHAP



MAY 2023 SHARE OF STREAMING

SOURCE: NIELSEN LOCAL MEDIA LANDSCAPE JUNE 2023 | CHART: ESHAP

BRIEF:

IF YOU'RE GONNA READ NIELSEN, READ ALL OF IT.

Yes, Broadcast and traditional Pay TV are losing viewers as audiences migrate to CTVs. *But* live TV viewing is *not* going away. Rather, it's a big and growing chunk of TV time, migrating with audiences to streaming.

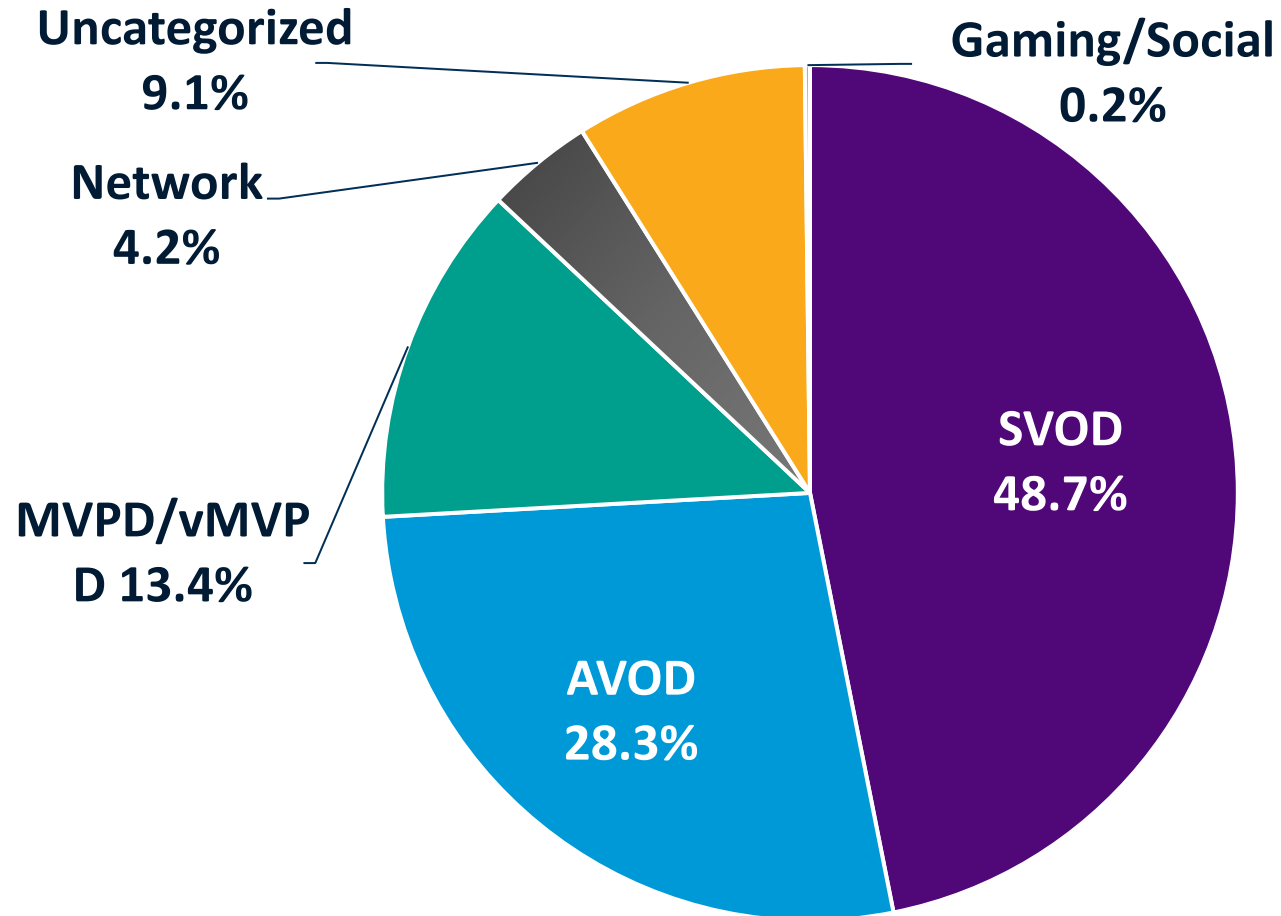
AND, while a good deal of CTV viewing is on free YouTube, AVOD and FAST, a *sizable* share is live on vMVPDs.

What's more...



MAY 2023 SHARE OF STREAMING

SOURCE: LEICHTMAN RESEARCH 2Q 2023 - COMPANY EARNINGS | CHART: ESHAP



MAY 2023 STREAMING SHARE YoY CHANGE

SOURCE: NIELSEN LOCAL MEDIA LANDSCAPE JUNE 2023 | CHART: ESHAP

BRIEF:

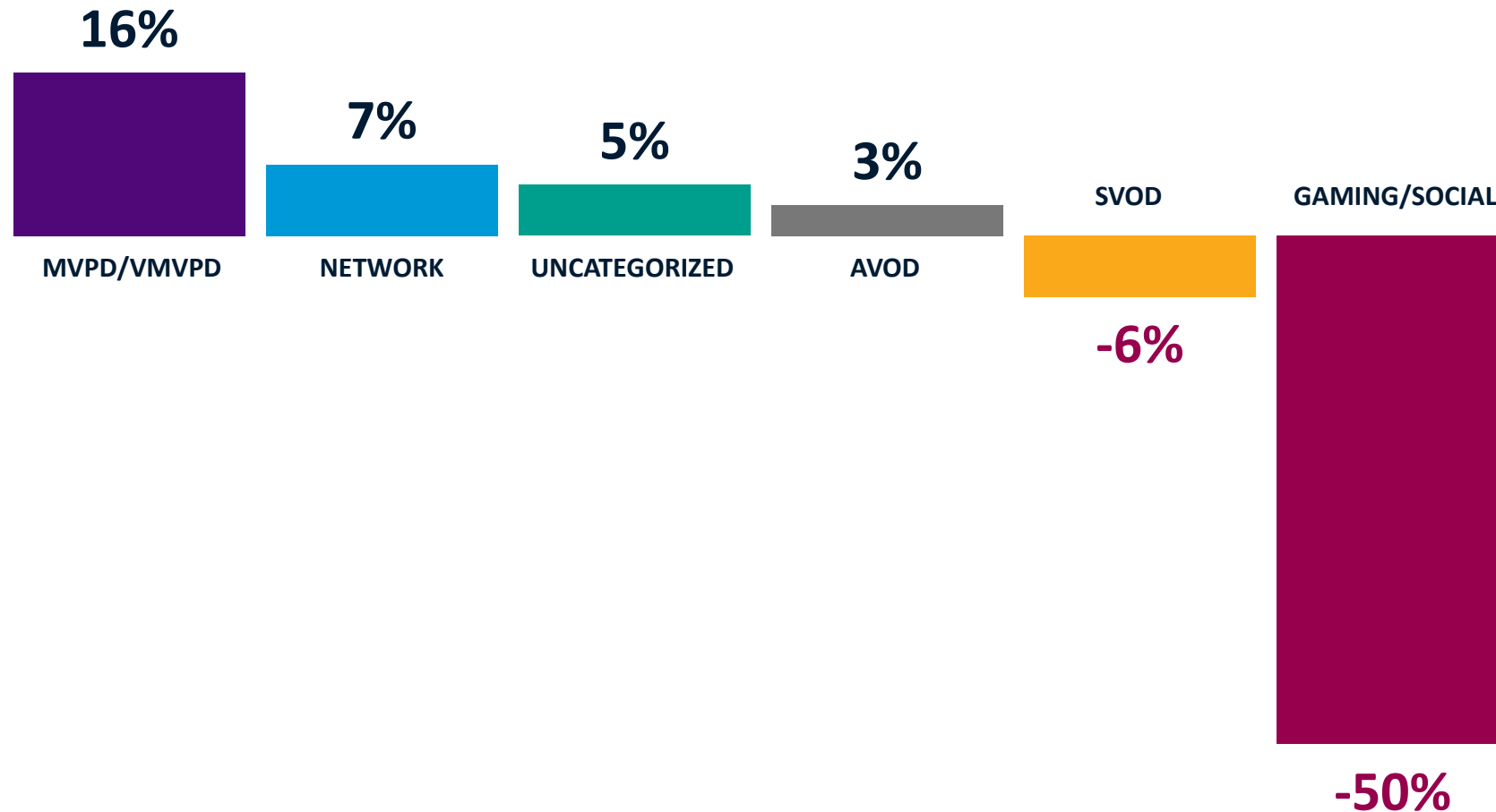
Share of time* for SVOD & Social Video are actually dropping. Meanwhile, live TV, such as vMVPDs, are driving more and more usage on CTV streaming, *and* attracting the most attractive audiences doing it.



* according to Nielsen

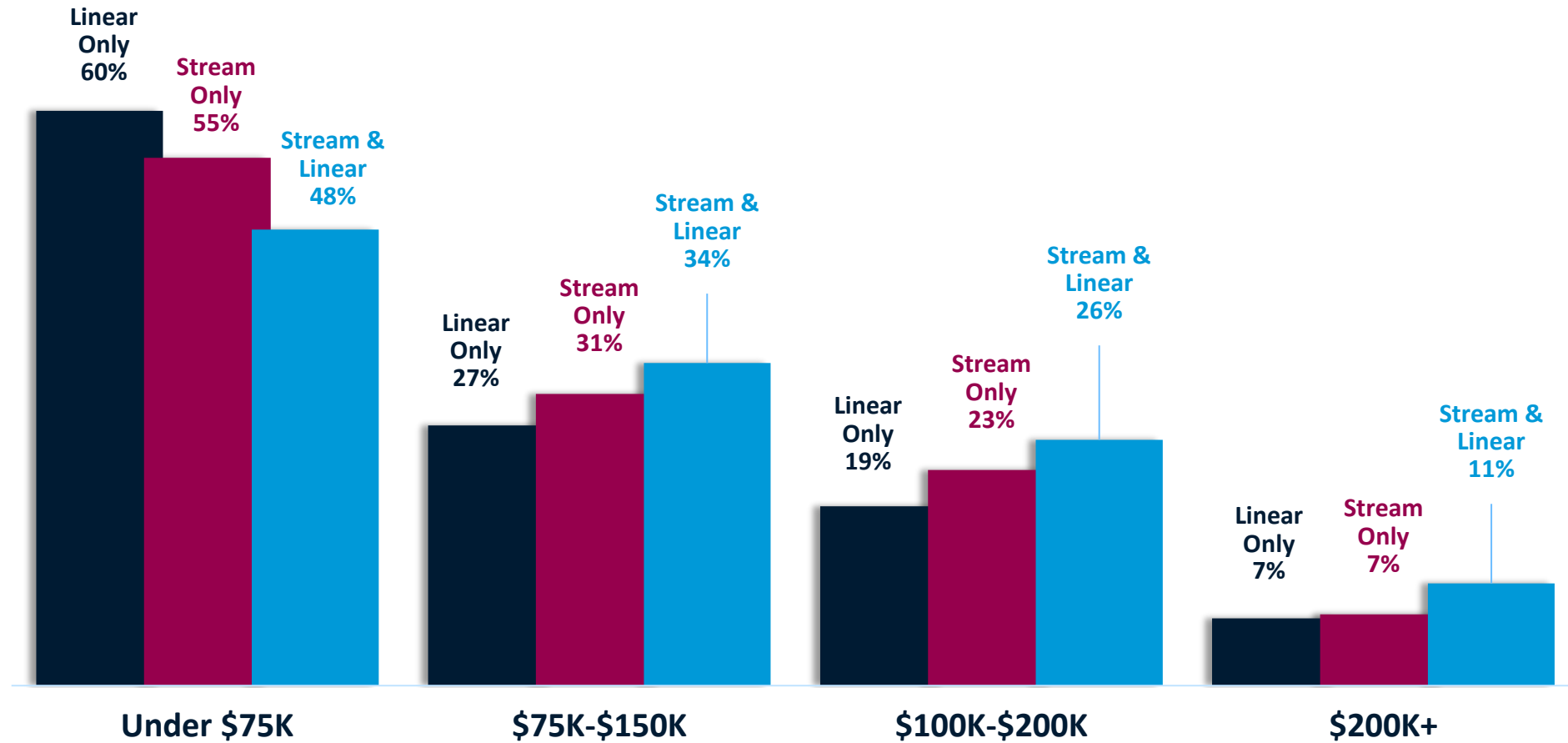
MAY 2023 STREAMING SHARE YoY CHANGE

SOURCE: NIELSEN LOCAL MEDIA LANDSCAPE JUNE 2023 | CHART: ESHAP



HHI BY TV PLATFORM

SOURCE: SPECTRUM REACH AUDIENCE MEASUREMENT PLATFORM Q# 2022FULL | CHART: ESHAP



SVOD CHURN

SOURCE: ANTENNA | CHART BY ESHAP

BRIEF:

As Millennials have kids, buy homes, and finally begin their nesting stage, they find they miss the reliability, variety, and utility of the cable TV from their youths. In the decade ahead, this new generation of heads of households will have the most significant purchasing power. They are rebundling their content every month, with the flick of their thumbs.

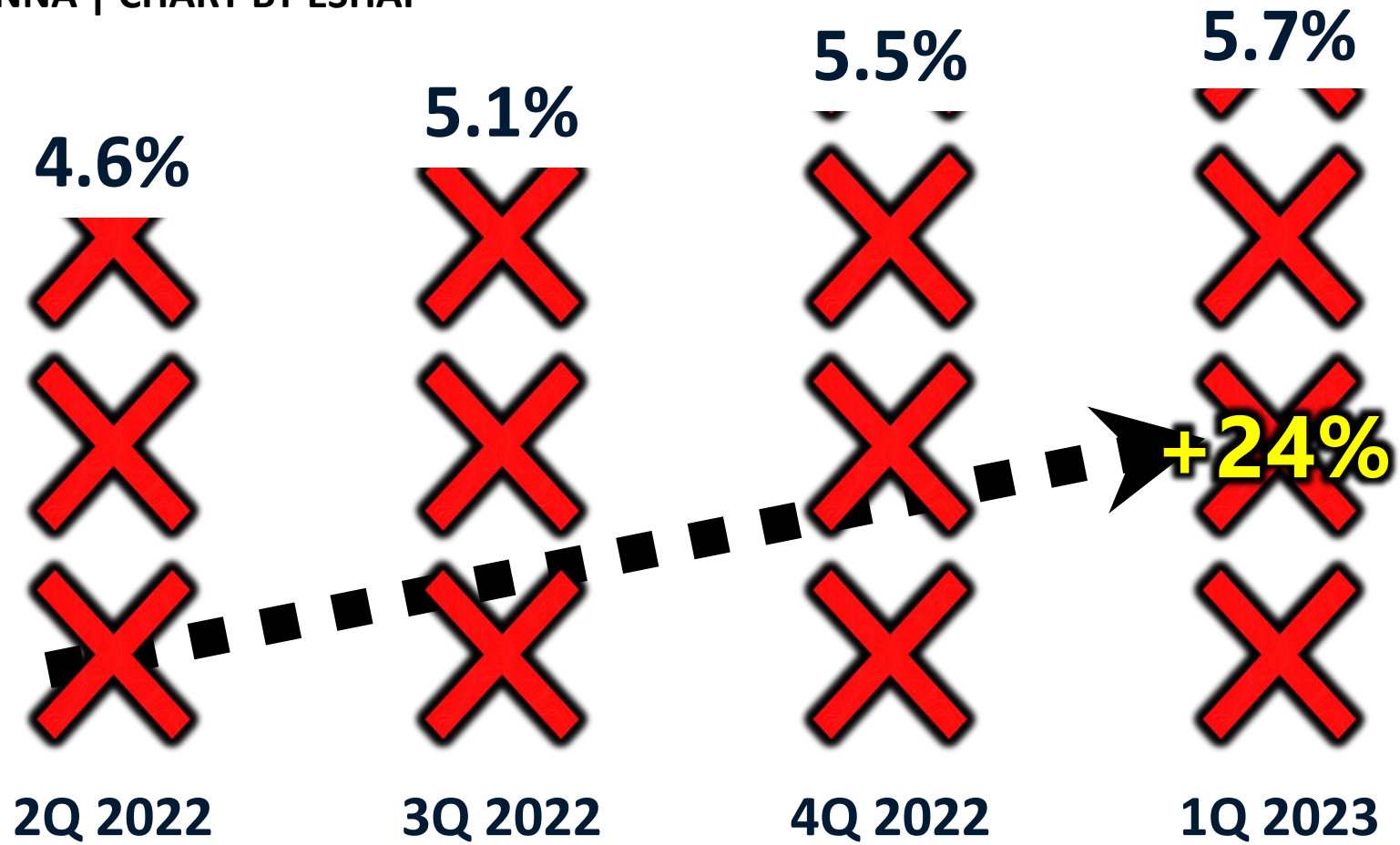
Over the course of the next 36 months, utility will become the most important facet of major streaming video services. Those who super-serve their audiences, with new, daily content (and services) they need, will keep their users. Those who do not... will stay stuck in a revolving door of watch and switch, **burn and churn**.

As you make your advertising bets in the year ahead, don't just think about where audiences are going, think about where they are staying.



SVOD CHURN

SOURCE: ANTENNA | CHART BY ESHAP



LIVE vs FREE

BRIEF:

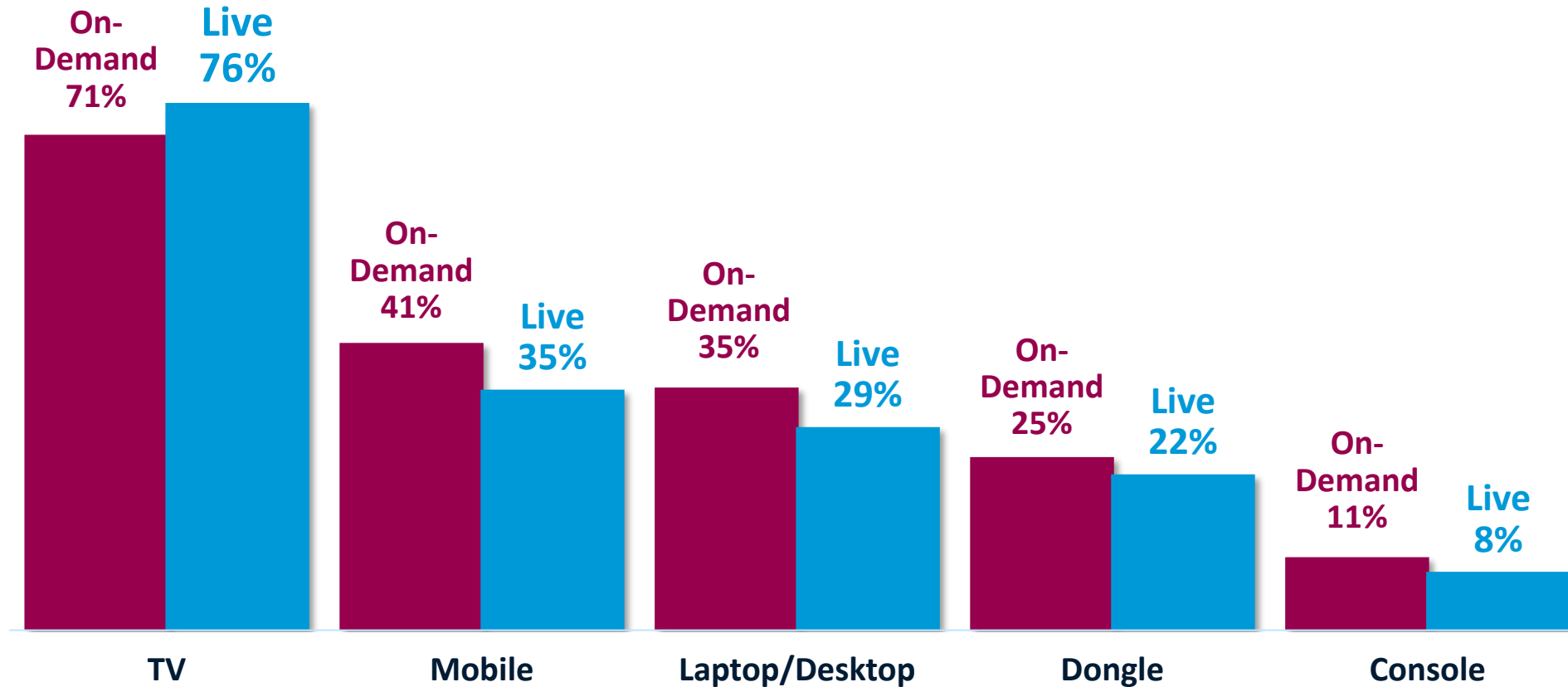
If reach and effectiveness are your KPIs, think about the half of your ad money that's being wasted when it's not embedded in live viewing. **Ads only work, when they're seen.** Yes, a good deal of FAST viewing is pseudo-live. But those audiences are beyond fragmented. (And let's admit it, it's near impossible to get apples-to-apples viewing data from most of those platforms.)

On social video, your ads may be playing, but a bigly portion are skipped, or missed, or fraud. When comparing streaming ad platforms, think about how many at bats you have with consumers over the course of your campaign, and how engaged they are when your ads hit them.



LIVE vs ON DEMAND

“WHAT DEVICES DO YOU USE TO WATCH...” | SOURCES: GWI. CORE 2Q 2023 | CHART BY ESHAP



LIVE vs NOT

BRIEF:

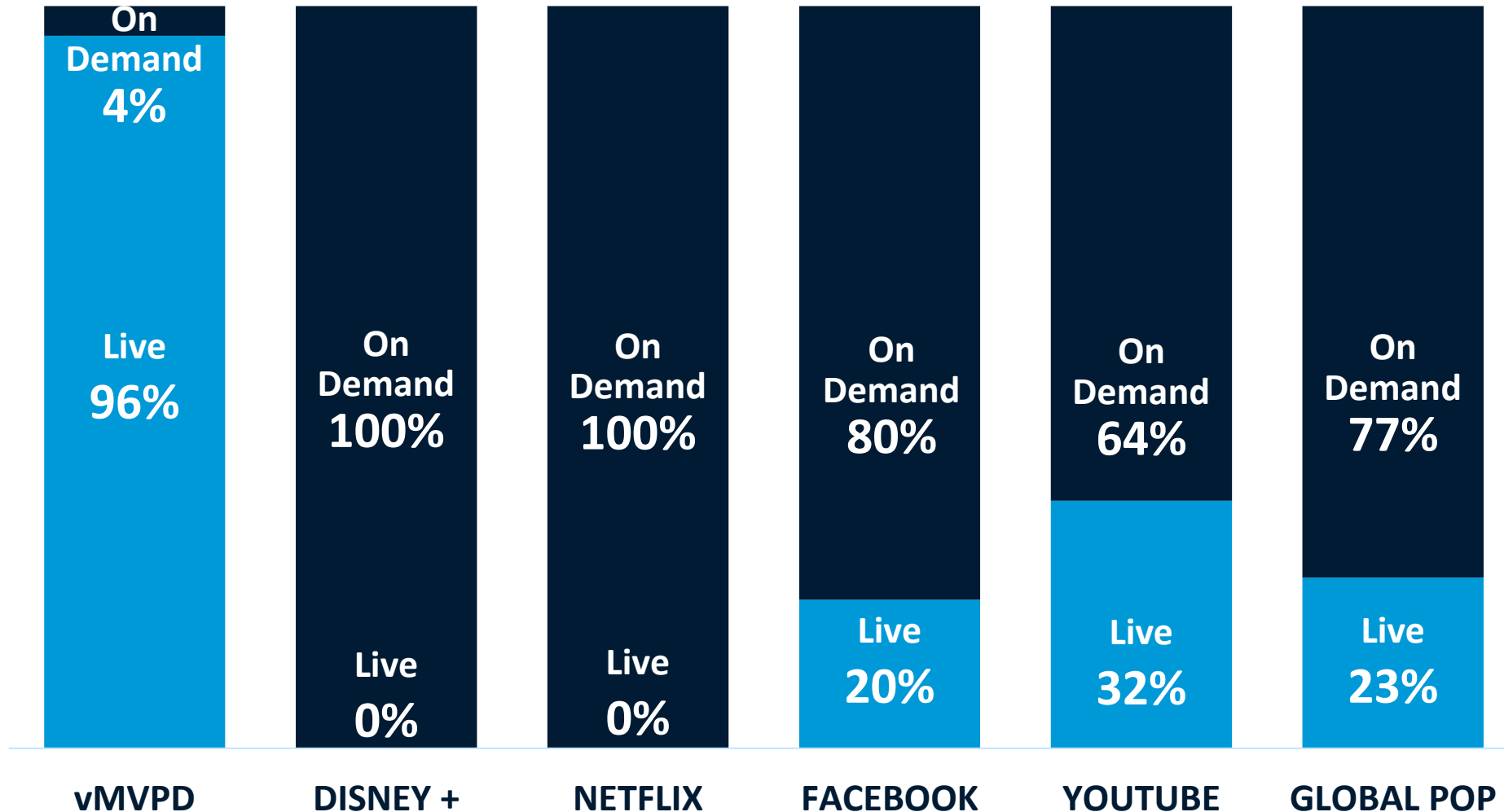
Most video is now being watched on CTVs. So, premium, live impressions will be, well, premium.

I think the one thing everyone in TV advertising can agree on now is, *buy live content whenever you can*. In streaming, vMVPDs punch above their weight in time-spent, because their audiences come back every friggin' day, and spend hours watching, across numerous channels. Talk to one and you'll know: Cord-nevers who sign up for virtual Pay TV are the new zealots for the live TV bundle.



LIVE vs FREE

SOURCES: vMVPD BASED ON SPECTRUM, CONVIVA, ANTENNA, STREAMLABS, COMPANY EARNINGS | CHART BY ESHAP



SHARE OF TIME SPENT WITH STREAMING SERVICE ON CTV - US

SOURCE: TVISION | CHART: ESHAP

BRIEF:

Action is the new CPM.

It's no longer enough to know half of your marketing money is working and hoping for the best with the rest. **2023 changed the TV landscape dramatically, and media buying is changing with it.** CTV offers enormous advantages in targeting and reaching audiences, as well as tremendous fragmentation, and advertising disintermediation. Effective marketing is no longer about the lowest cost per eyeball, but the highest return on investment.

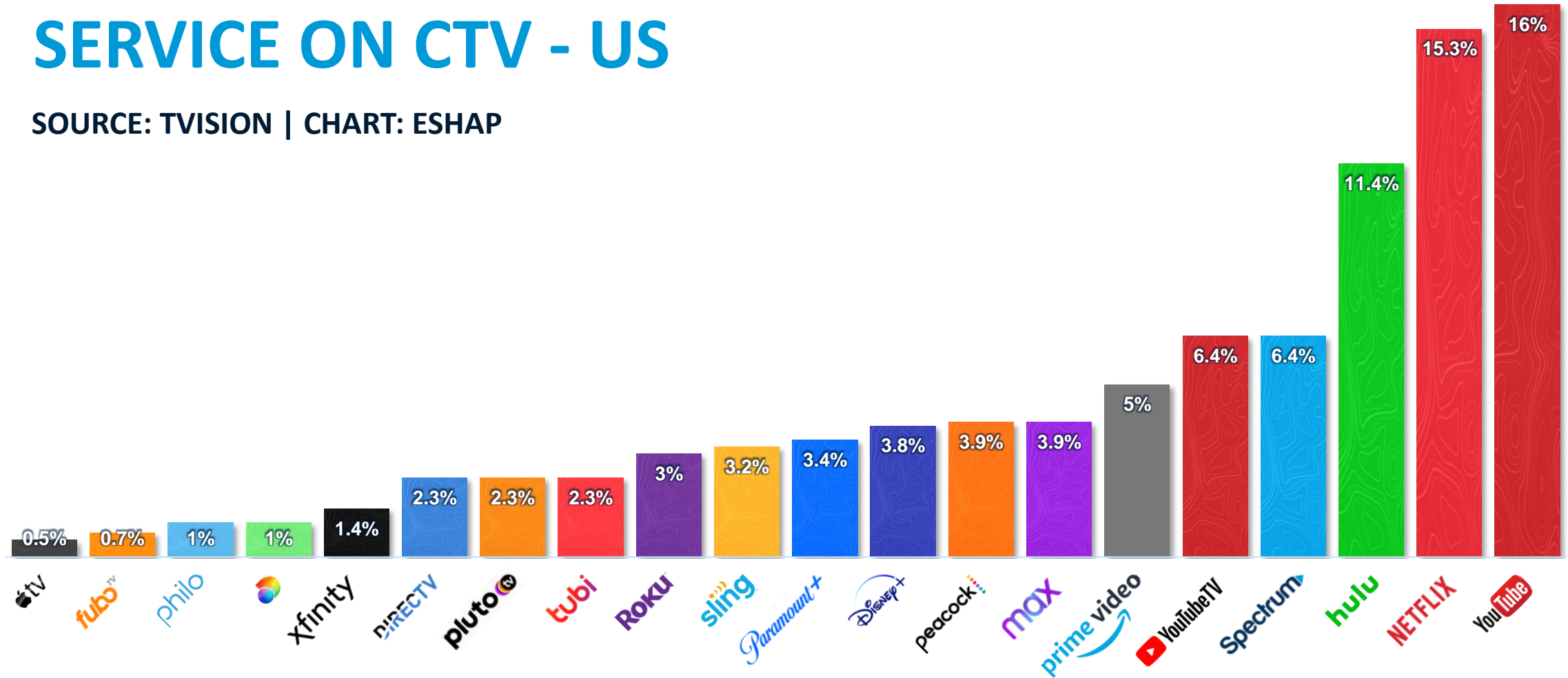
In a universe of nearly unlimited video impressions, daily utility and live content will be even more rare and valuable to anyone looking for measurable return on an advertising spend. There is less excuse than ever to waste half your ad money.

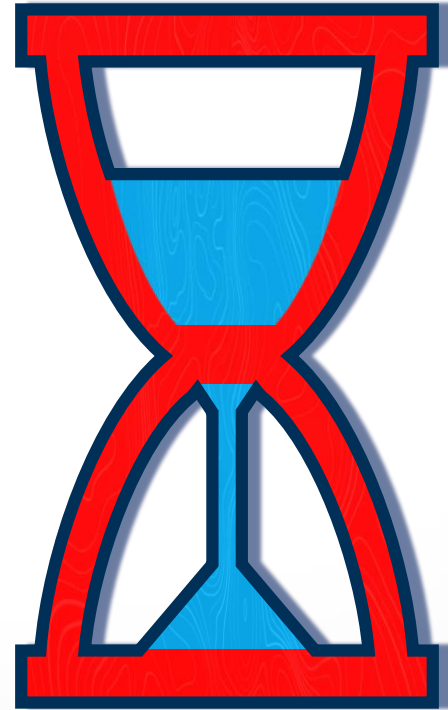
If you know where to look.



SHARE OF TIME SPENT W STREAMING SERVICE ON CTV - US

SOURCE: TVISION | CHART: ESHAP





APPENDIX



vMVPD STREAMING APP RATINGS

SOURCE: IOS (APP STORE) AND ANDROID (GOOGLE PLAY) AVERAGE RATINGS AS OF JULY 1, 2023 | CHART: ESHAP

