

The logo for effectv, featuring the word "effectv" in a lowercase sans-serif font, with a small square icon to its right.The Comcast Advertising logo, featuring the NBC peacock logo above the word "COMCAST" in a bold, uppercase sans-serif font, with "ADVERTISING" in a smaller, uppercase sans-serif font below it.The Freewheel logo, featuring the word "FREEWHEEL" in a bold, uppercase sans-serif font.

A Powerful Duo:

The Linear + Streaming Evolution

Consumer Survey Insights, Perspectives & More from
Comcast Advertising's Agency Leadership Council

Introduction

To help marketers better understand the world of streaming and its role in any comprehensive video advertising strategy, Comcast Advertising and the Agency Leadership Council have analyzed data from several sources including a custom consumer behavior survey, custom report from Nielsen, and an evaluation of reach and effectiveness from advertiser cross-platform campaigns.

Data sources:

- 1 Consumer survey data collected by Happydemics, an independent consumer-focused market research company
- 2 Custom Nielsen Streaming Meter Report of streaming-capable households
- 3 Comcast Internal Analysis of Effectv Streaming* campaigns

Note: in this paper, “linear” refers to traditional live TV viewing. Unless otherwise stated, “streaming” refers to IP-enabled.

*Effectv Streaming is Effectv’s (advertising sales division of Comcast) advertising solution enabling advertisers to deliver their message to their target audiences within streaming TV and premium video content, wherever, whenever, and however they’re watching. Effectv Streaming includes viewing from Xfinity on Demand.



Key Takeaways

- 1 The vast majority of streaming content (76%) is consumed via the TV screen, with viewers using multiple services.
- 2 All age groups are streaming, but there are some significant differences between age generations.
- 3 Most households (70%) that have at least one streaming service, still subscribe to cable/pay TV.
- 4 58% of time spent with streaming content is ad supported.
- 5 Linear continues to drive the majority of reach for cross-platform campaigns, with streaming providing valuable incremental audiences.

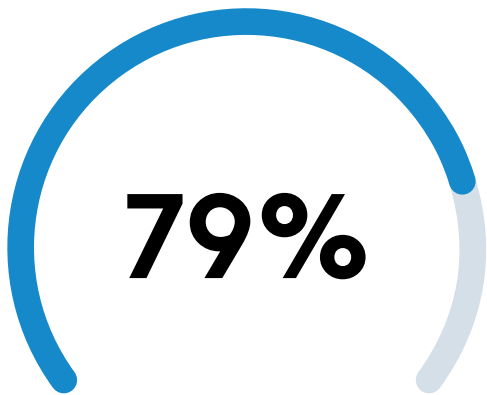
The biggest takeaway from this analysis?
Streaming and Linear are a Powerful Advertising Duo.



Households (HHs) Subscribe to Multiple Streaming Services

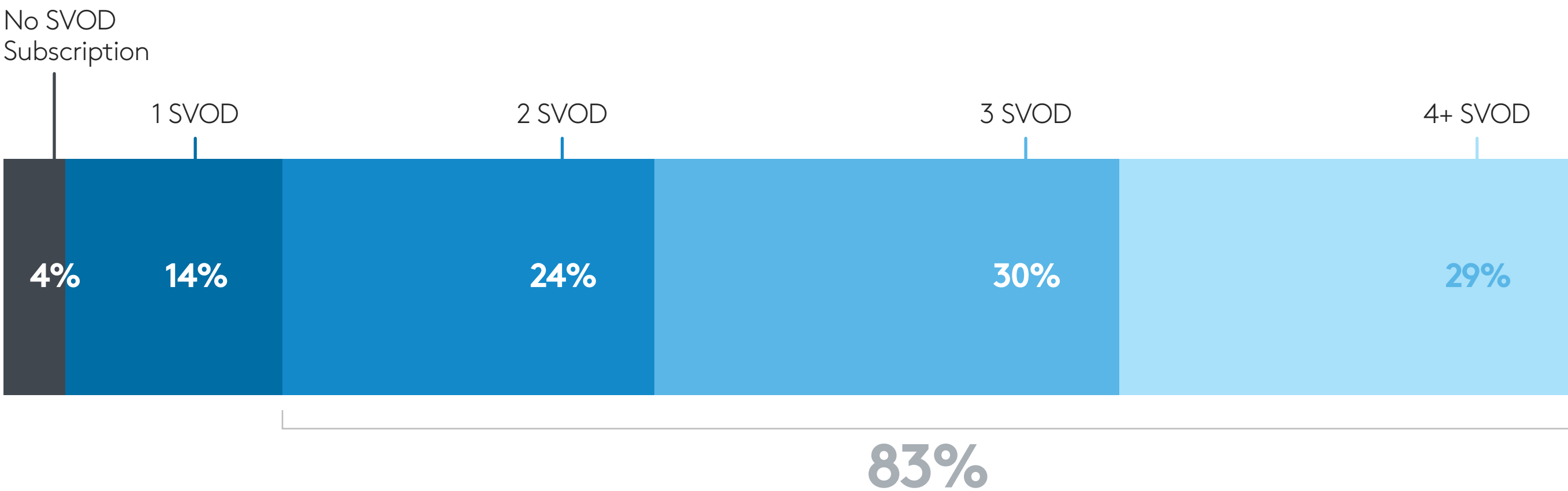
79% of HHs are reached through streaming. Part of this reach is driven by Subscription Video On Demand (SVOD), a driving component of streaming’s evolution.

SVOD HHs typically subscribe to more than one service. More than 80% of SVOD HHs have two or more streaming services, while only 14% have one.



of HHs are reached through streaming

SVOD households by number of services



Source: Nielsen Streaming Meter Report, Nielsen NPower. Q1 2021. Streaming capable households.

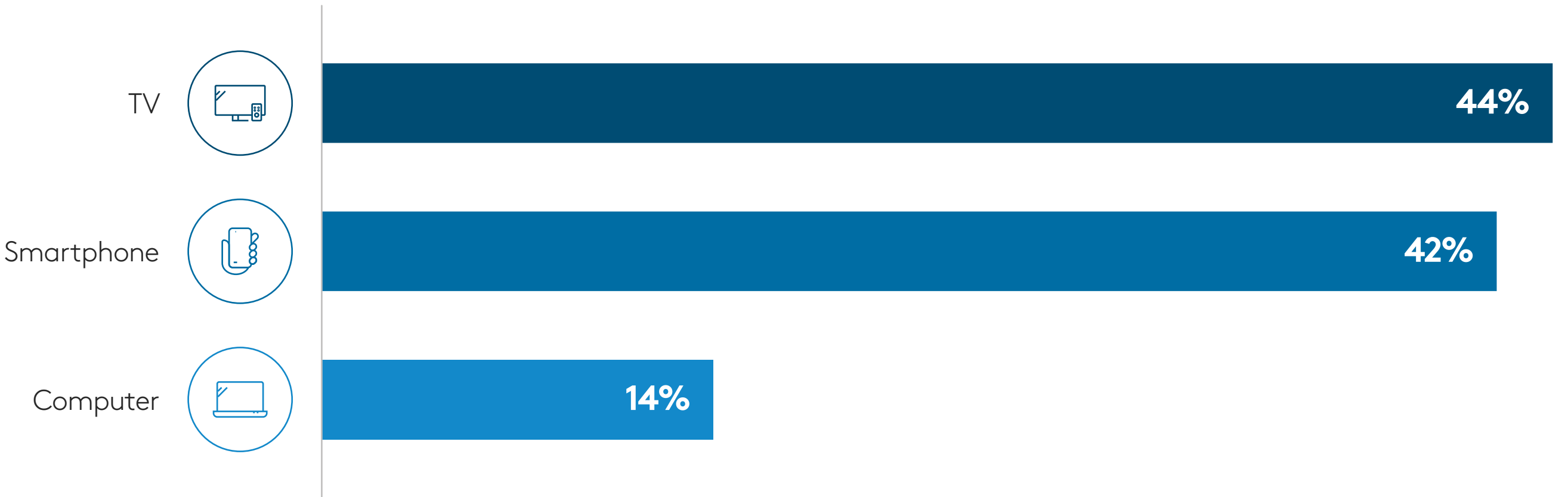
Viewers Prefer the "Big Screen"

Most streaming HHs have access to and watch multiple streaming services, so it is important to understand more about their viewership in terms of device.

Survey says... **44% of respondents use the TV to consume streaming video content.** This is closely followed by smartphone devices.

Viewers chose the TV screen due to the experience. Those who prefer computer/smartphone devices do so out of convenience.

Where respondents spend the majority of their video viewing



43%
of TV heavy viewers do so
because of the **experience**



41%
of Smartphone heavy viewers
do so because of **convenience**



40%
of Computer heavy viewers
do so because of **convenience**

Source: Third-Party Research Study using Happydemics (2021). N = 2162.

Streaming Impressions Follow The Viewers

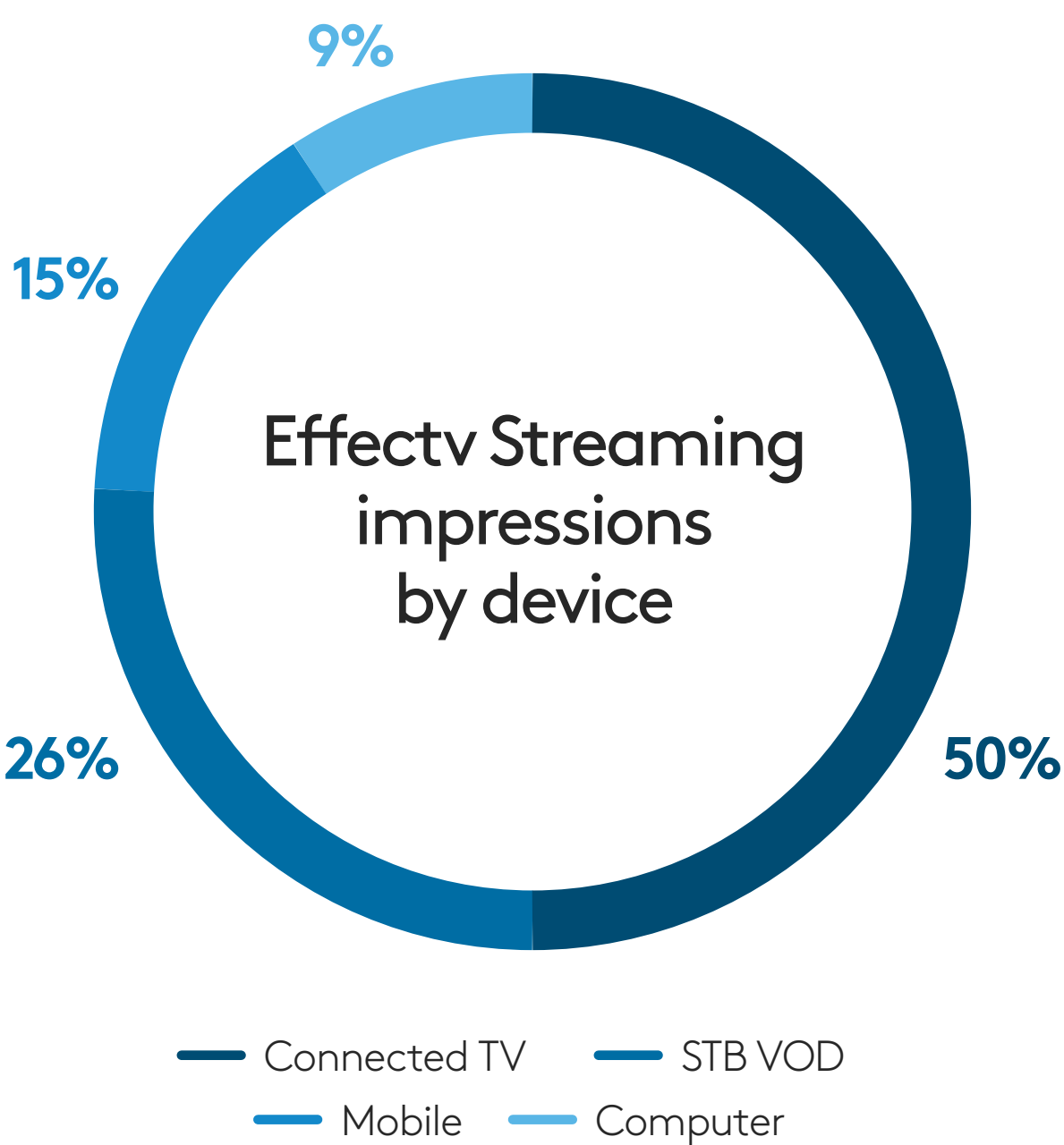
To further emphasize the importance of the TV screen to streaming viewers, we analyzed internal ad exposure data, which revealed **76% of impressions happened on the TV screen.**

Even with on-the-go device options, the “big screen” remains the most popular.

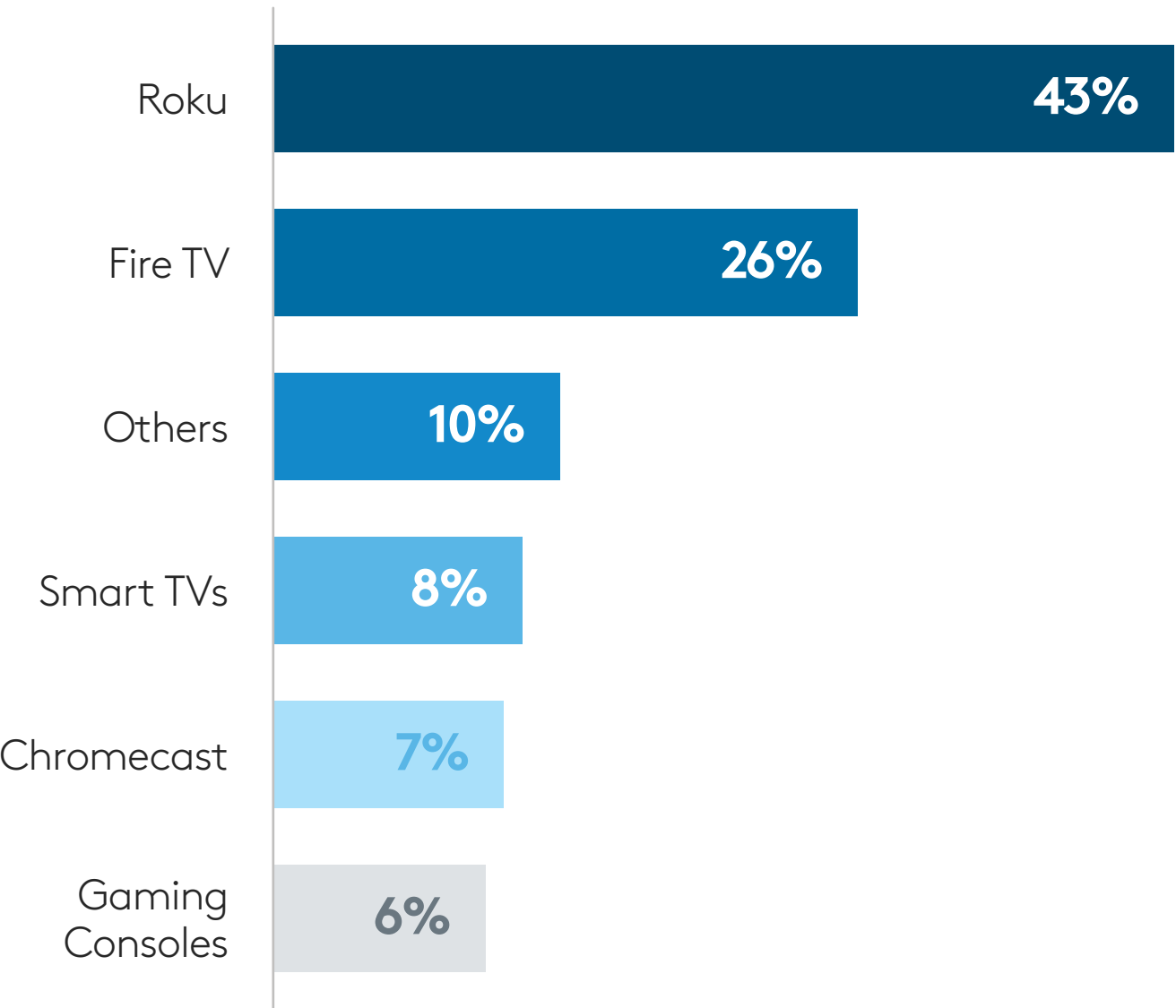
Streaming services comprised 45% of ad views on the FreeWheel platform, surpassing TV Everywhere* in the first six months of 2021.

This change is fed by the introduction of new direct-to consumer services that are focused on curating large amounts of content with a limited ad load.

* TV Everywhere (TVE) – Services that accompany a cable/satellite subscription, allowing the customer to watch the channels in their package anywhere, both inside and outside the home, without a set-top-box.



Ad composition by CTV device H1 2021



“This matters to advertisers because although streaming has become more mainstream in the last few years, it’s important to consider the nature of streaming services and the level of engagement to reach those audiences. That starts with understanding the true universe of reach from services supported by advertising.”

— Monique Nelson, CEO, UWG

Sources: FreeWheel U.S. Video Marketplace Report H1 2021, The Viewer Evolution, Comcast Internal Analysis of Effectv Streaming campaigns (January through June 2021).
Note: STB VOD is Set-Top-Box Video On Demand.

Streaming Expectations Differ Across Age Groups

When asked about challenges they faced in using streaming services, consumers gave very different responses, depending on age.

Survey says... respondents across age groups said the biggest challenge with streaming services was having to watch advertising. Still, three-quarters of respondents say they are open to ads on free content.

Younger audiences (18-24) were most likely to feel it takes too long to decide what to watch, while older audiences (55-64) were most likely to think subscriptions were too expensive. Much work is still being done to improve the streaming ad experience for audiences and advertisers alike.

Streaming service challenges by age group

Challenges	18-24	25-34	35-44	45-54	55-64	65+
Takes too long to decide what to watch	27%	25%	21%	18%	20%	22%
Favorite shows not always available	13%	17%	25%	23%	17%	18%
Subscription too expensive	28%	24%	24%	28%	31%	30%
Watching advertising	32%	34%	31%	32%	32%	31%

● Highest percent of response for the question ● Second highest percent of response for the question

Note: Read percentage by column; numbers will not equal 100.

“Advertisers need to recognize that viewers have a heightened sense of expectations in streaming environments, which makes delivering relevant and effective advertising that much more important. Using data to make ad experiences better for different viewer segments, and ultimately more valuable for marketers, must be the path we all pursue to ensure that a vibrant ad-supported marketplace thrives.”

— Adam Gerber, Chief Investment Officer, Essence

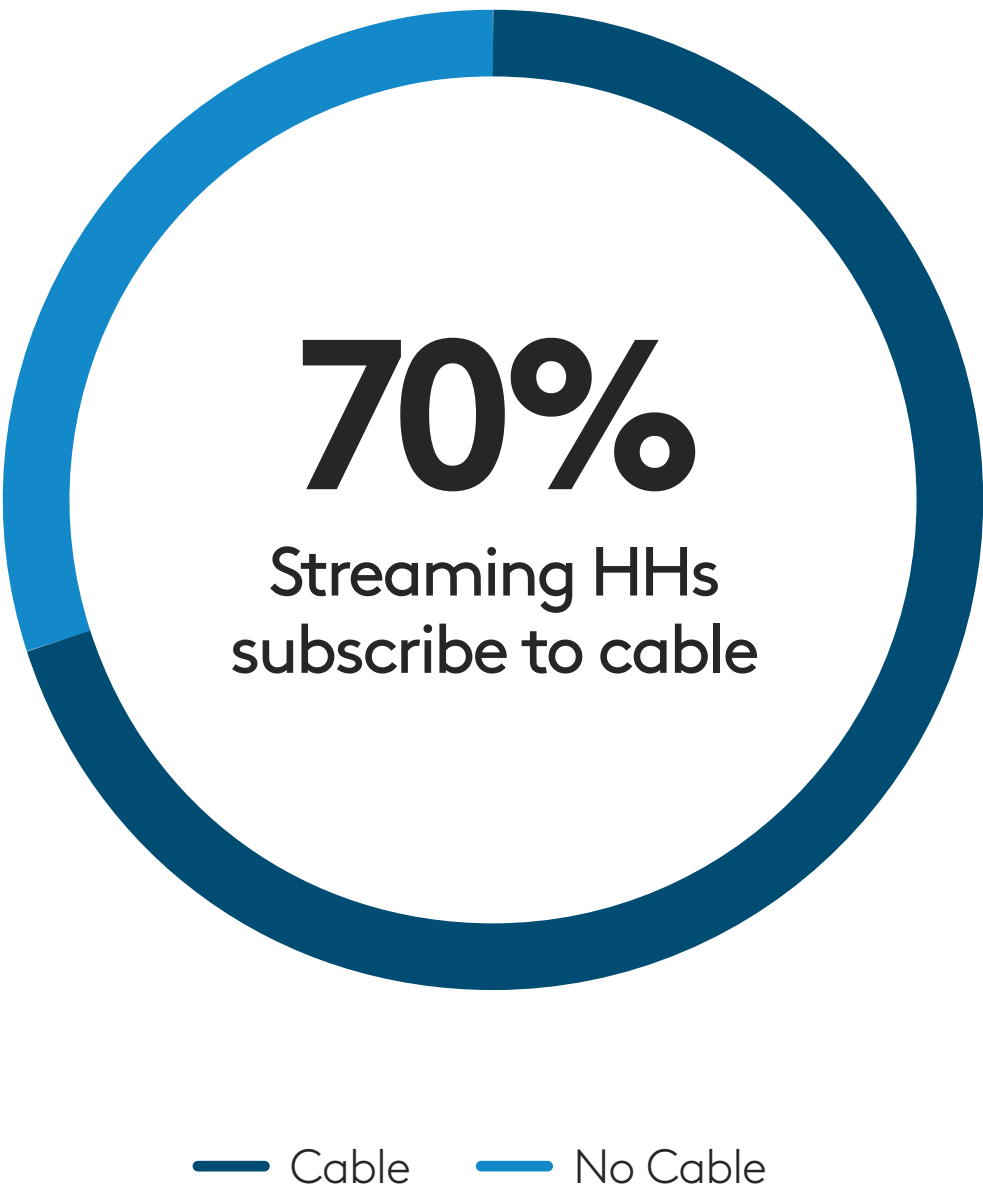
Source: Third-Party Research Study using Happydemics (2021). N = 2162.

HHs are Watching Streaming & Linear

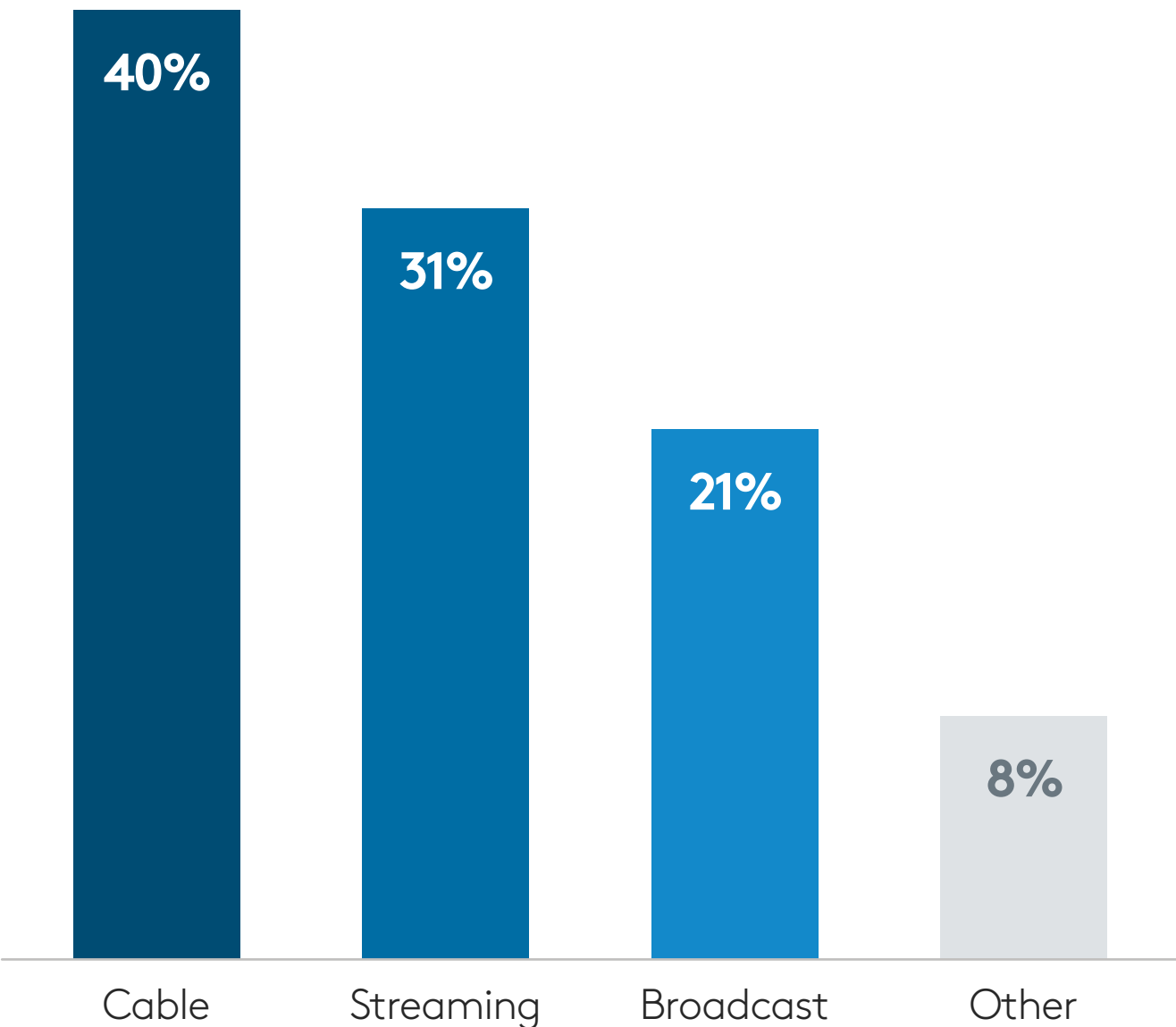
70% of streaming HHs also have a cable subscription.

Among streaming device-subscribing HHs, the greatest share of time spent is with cable (40%), followed by streaming (31%), and broadcast (21%).

HHs are using streaming and cable as complements for video viewing.



Share of time among streaming HHs



“For the majority of households, streaming services are used in combination with cable TV services, making it increasingly important to ensure advertising campaigns are executed as multi-screen in order to lay the right foundation to optimize reach and frequency goals.”

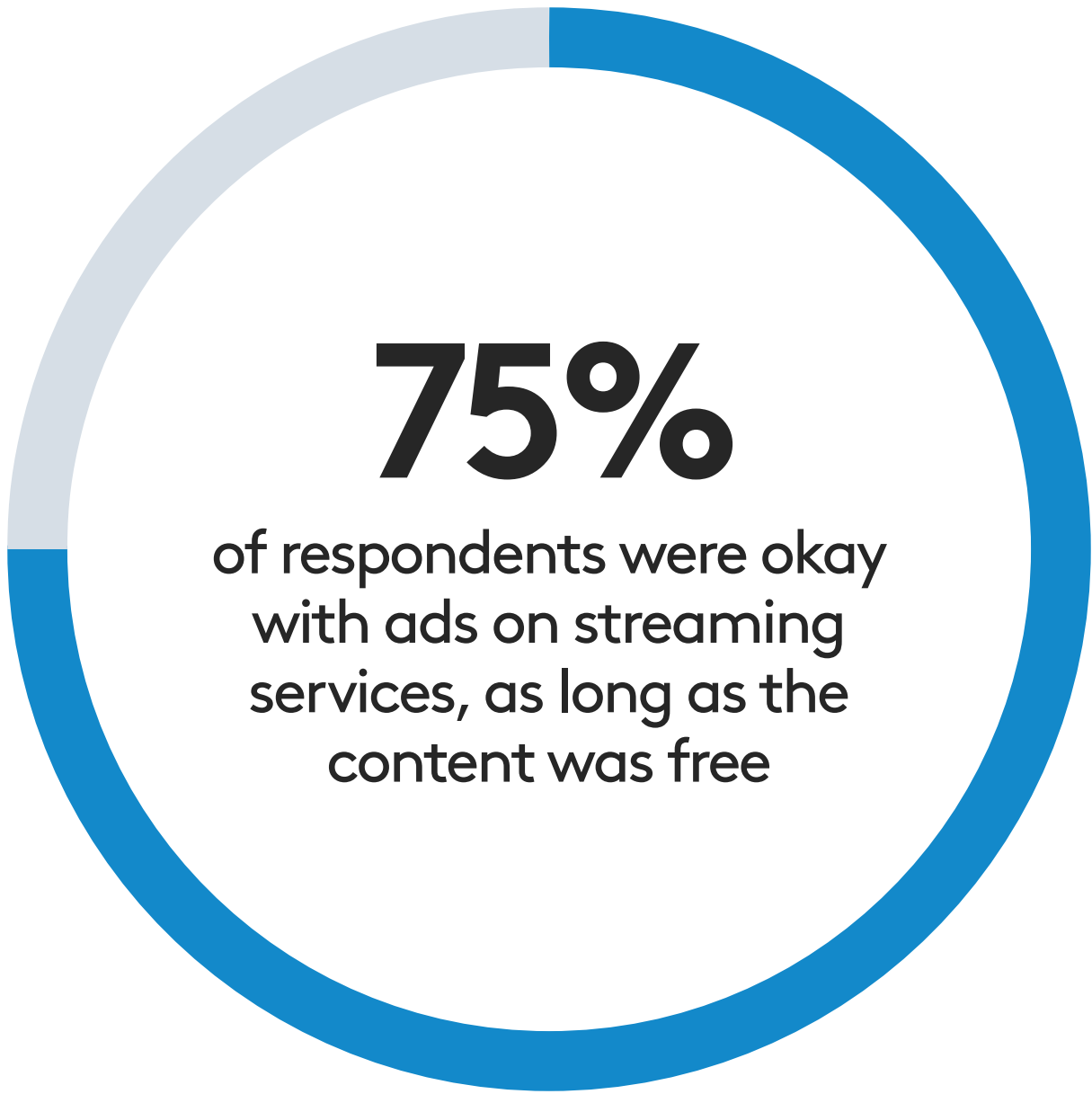
— James Rooke, General Manager, Effectv




Source: Nielsen Streaming Meter Report, Nielsen NPower. Q1 2021. Streaming capable households.

Consumers are Open to Ad Supported Streaming

Audiences are accustomed to watching ads as a value exchange for premium content. Still, survey data showed interesting findings for streaming audiences, specifically.

More than three-quarters of respondents are fine with advertisements in their streaming content, as long as the content is free. Respondents prefer advertising experiences that are in line with the content length and related to their personal interests. Respondents also feel that ads on a connected TV are less disruptive than ads on mobile devices.



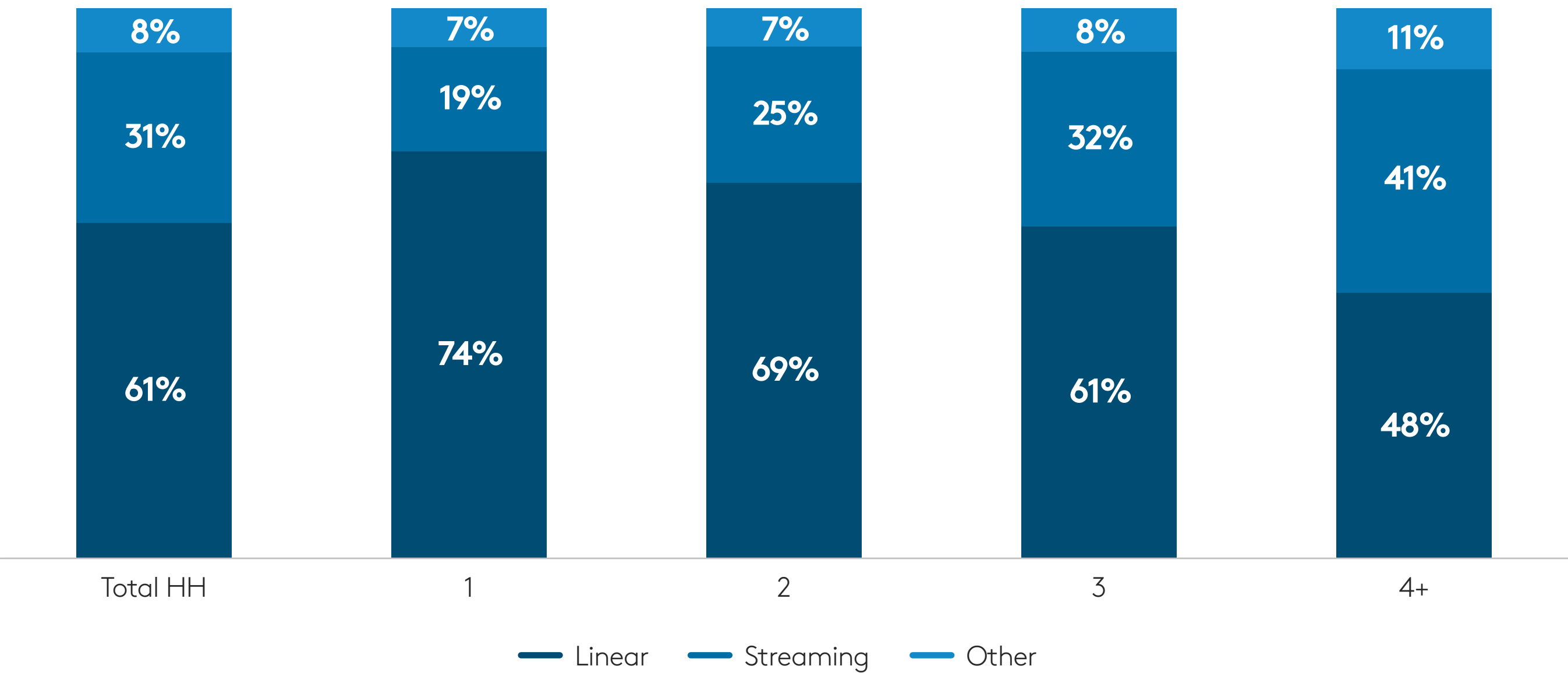
-  72% of respondents feel ads should be in line with the content length
-  73% of respondents prefer ads that are related to personal interests
-  67% of respondents feel ad on connected TV are less disruptive than on mobile devices

Source: Third-Party Research Study using Happydemics (2021). N = 2162. Respondents who answered neutral or positive.

Greatest Share of Time in Streaming HHs is with Linear

Regardless of the number of streaming services, HHs are spending the greatest share of time with linear content. As the number of streaming services increases, linear share decreases, but remains strong. As not all steaming is ad-supported, with streaming share increasing, advertising opportunities become more vital within linear.

Share of time by number of SVOD services

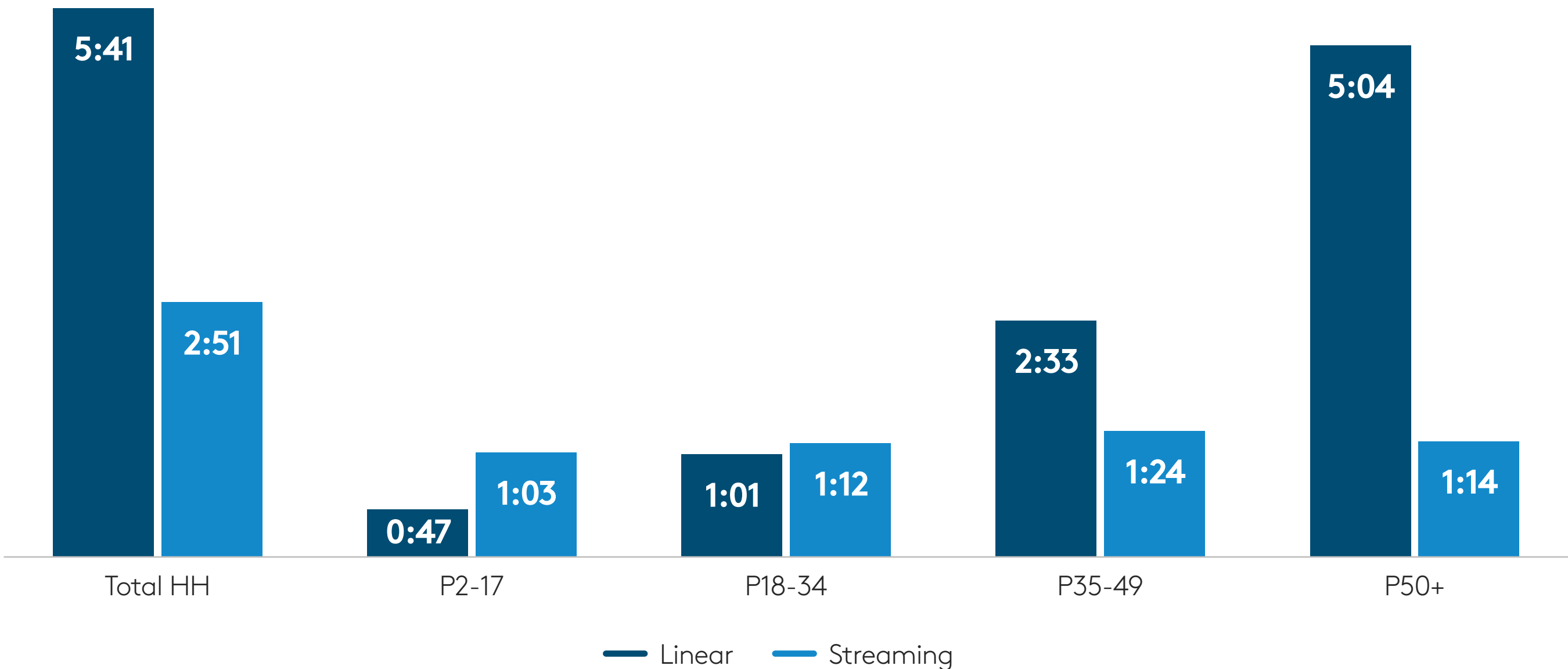


Source: Nielsen Streaming Meter Report, Nielsen NPower. Q1 2021. Streaming capable households. Note: Linear includes cable, broadcast, and premium.

Viewing Habits Differ By Age

Streaming HHs spend nearly twice as much time watching linear content as streaming content. Viewing habits vary by age as audiences under 35 spend slightly more time with streaming, and audiences 35+ spend significantly more time with linear.

Daily time spent across demos



“Reaching audiences via streaming has become top of mind for advertisers as the platform has grown exponentially in the last 3-5 years. Streaming has become an invaluable source of audience as advertisers aim to reach them with relevant messaging across multiple screens and devices.”

— Mark McKee, Chief Revenue Officer, FreeWheel

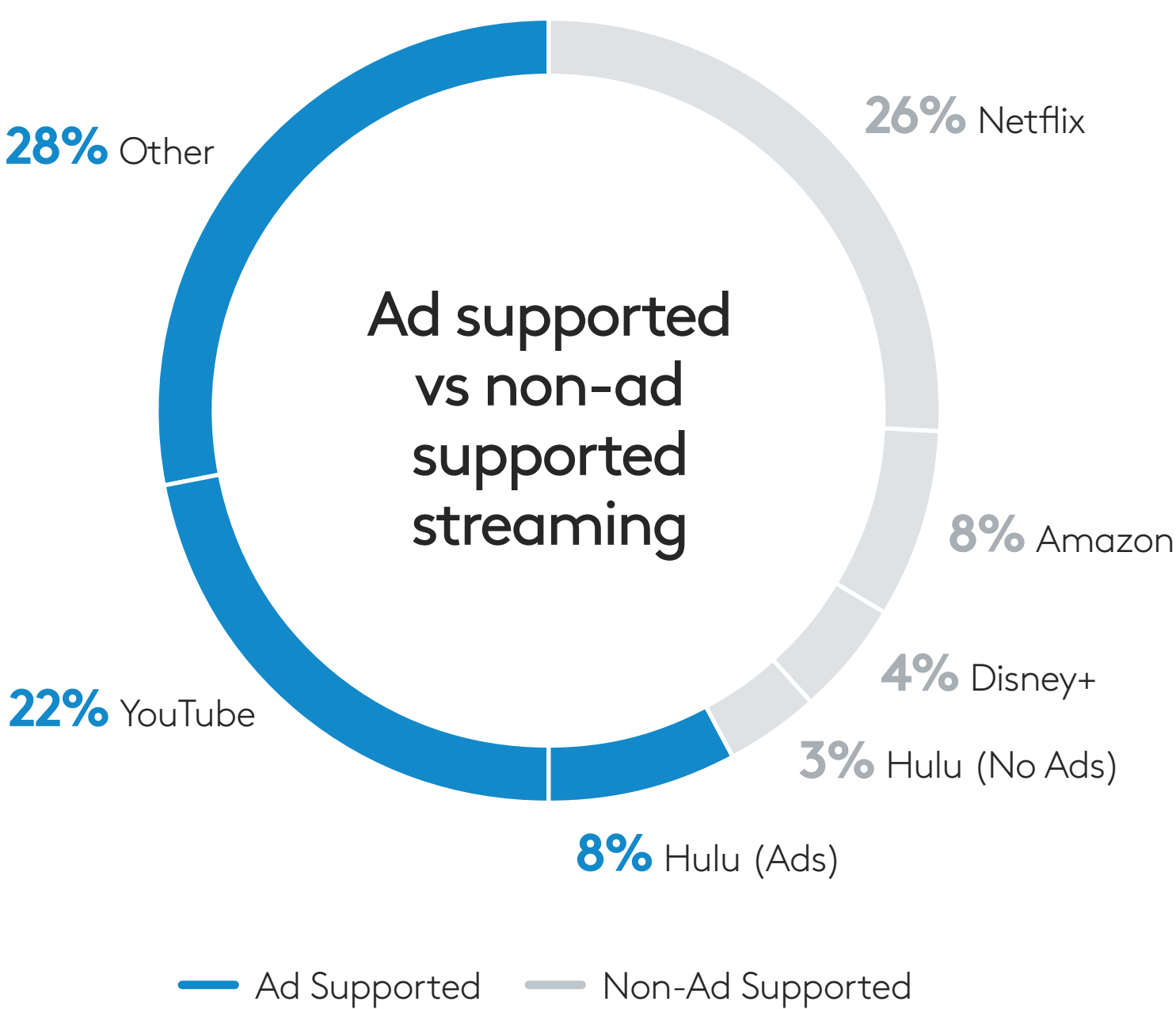
Source: Nielsen Streaming Meter Report, Nielsen NPower. Q1 2021. Streaming capable households. Note: Linear includes cable, broadcast, and premium.

Not All of Time Spent With Streaming is Ad Supported

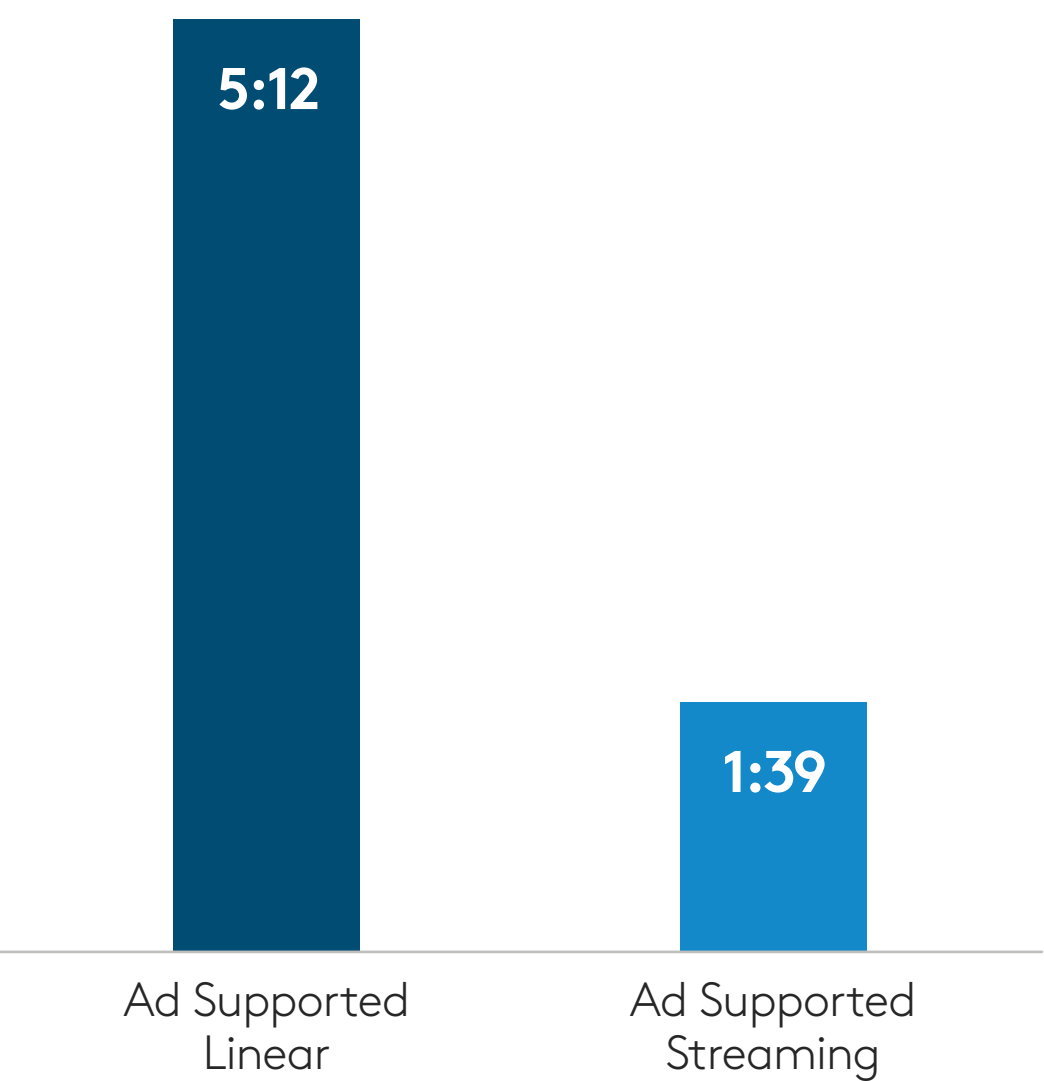
It is key for advertisers to understand where audiences are spending time with ad supported content.

58% of time spent with streaming content is ad supported.

Streaming HHs are spending 3.2x more time with ad supported linear than ad supported streaming.



Streaming capable HHs spend more time with ad supported linear



“It’s so important to keep in mind the fact that a significant portion of streaming is not ad supported and so linear TV and streaming are most powerful when paired together to efficiently reach audiences.”

— Mary Ann Grajek, Managing Partner, Media+

Source: Nielsen Streaming Meter Report, Nielsen NPower, Q1 2021. Streaming capable households. *Time spent with Hulu is split between Ad Supported and Non-Ad Supported. To break out Ad Supported vs Non-Ad Supported for Hulu, we used this 70/30 split reference: <https://variety.com/2019/digital/news/hulu-ad-supported-subscribers-70-percent-1203227954/>

Streaming is a Complement to Linear

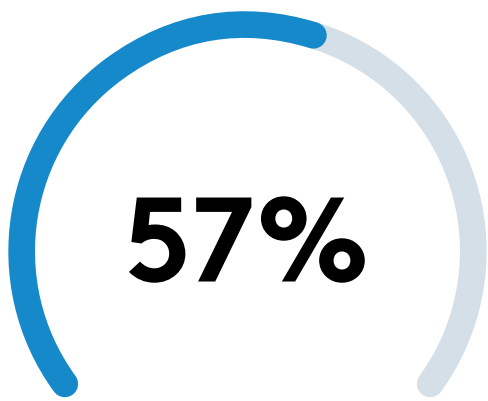
Viewers are using streaming as a complement to linear as they watch TV. An analysis of more than 20,000 Effectv cross-platform campaigns (linear & streaming) across 29 million HHs demonstrated this holds true for advertising campaigns too.

The majority of reach achieved from streaming (57%) was incremental to the TV portion of the campaign.

In addition to incremental reach, streaming also helped to deliver those HHs lightly reached with linear.

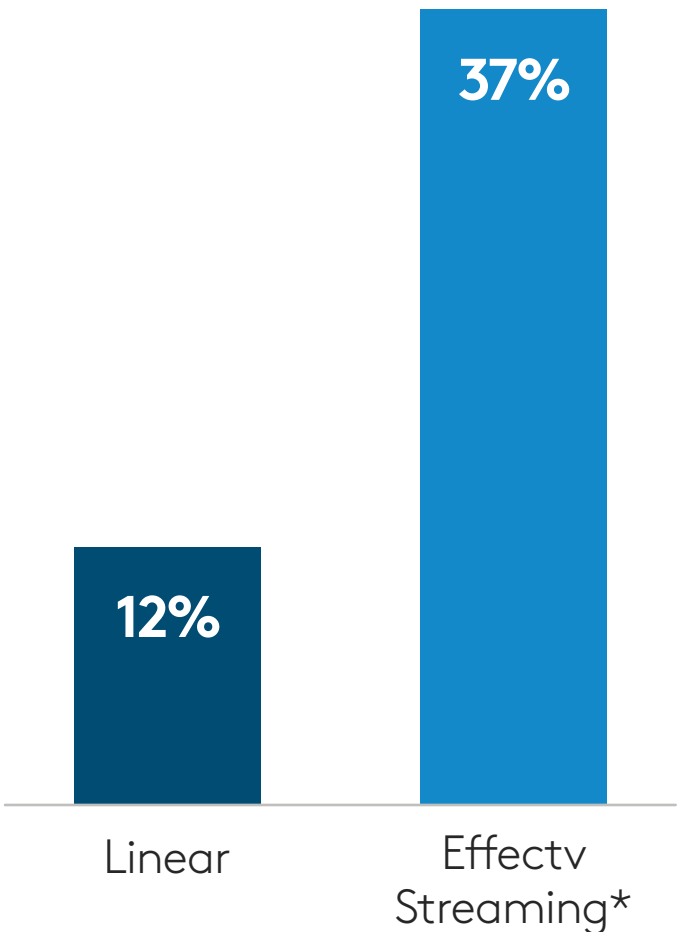
Over one-third (37%) of streaming impressions go to “light” or “no TV” households. Additionally, streaming impressions were +209% more likely than linear to be within “light” or “no TV” viewing households.

Another benefit from streaming was an increase in frequency. On average there was a +25% increase in frequency as a result of adding streaming. For “light TV” households, this increase was even more impactful with a +34% increase in frequency.

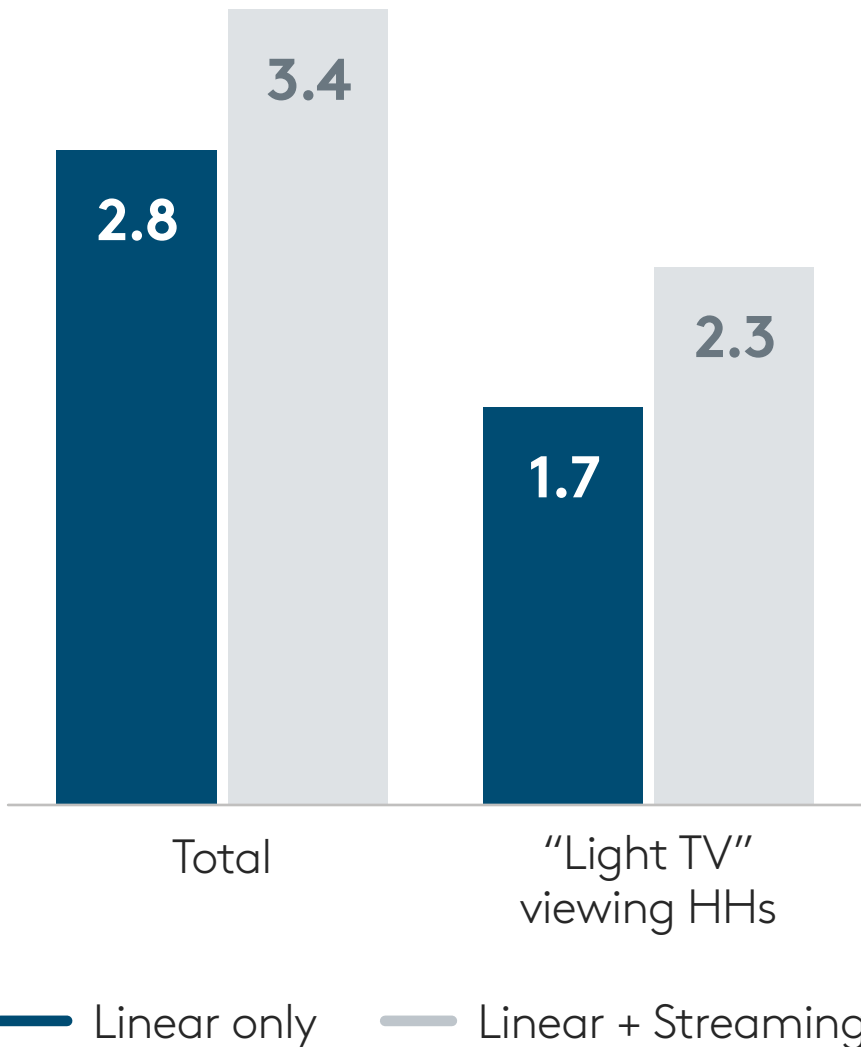


The majority of reach achieved from streaming was incremental to the TV portion of the campaign

Impressions delivered to “light” or “no TV” viewing households



Average frequency before and after adding streaming



“There is no doubt that streaming has exploded in popularity in the last few years, but it is important to consider the KPIs the marketing campaign is trying to hit and what are the optimal ad supported streaming tactics to reach the desired audience. That starts with understanding the universe of reach and the respective scale from services supported by advertising.”

— Tracy Chavez EVP, Local Investment, Publicis

Source: Comcast Internal Analysis of Effectv Streaming campaigns (January through June 2021). Note: “No-TV HHs” are defined as those with no TV viewing from January through June 2021. In addition, Comcast HHs with a pay TV service that represented the bottom 1/3 of TV viewing were defined as “light TV viewing HHs.”

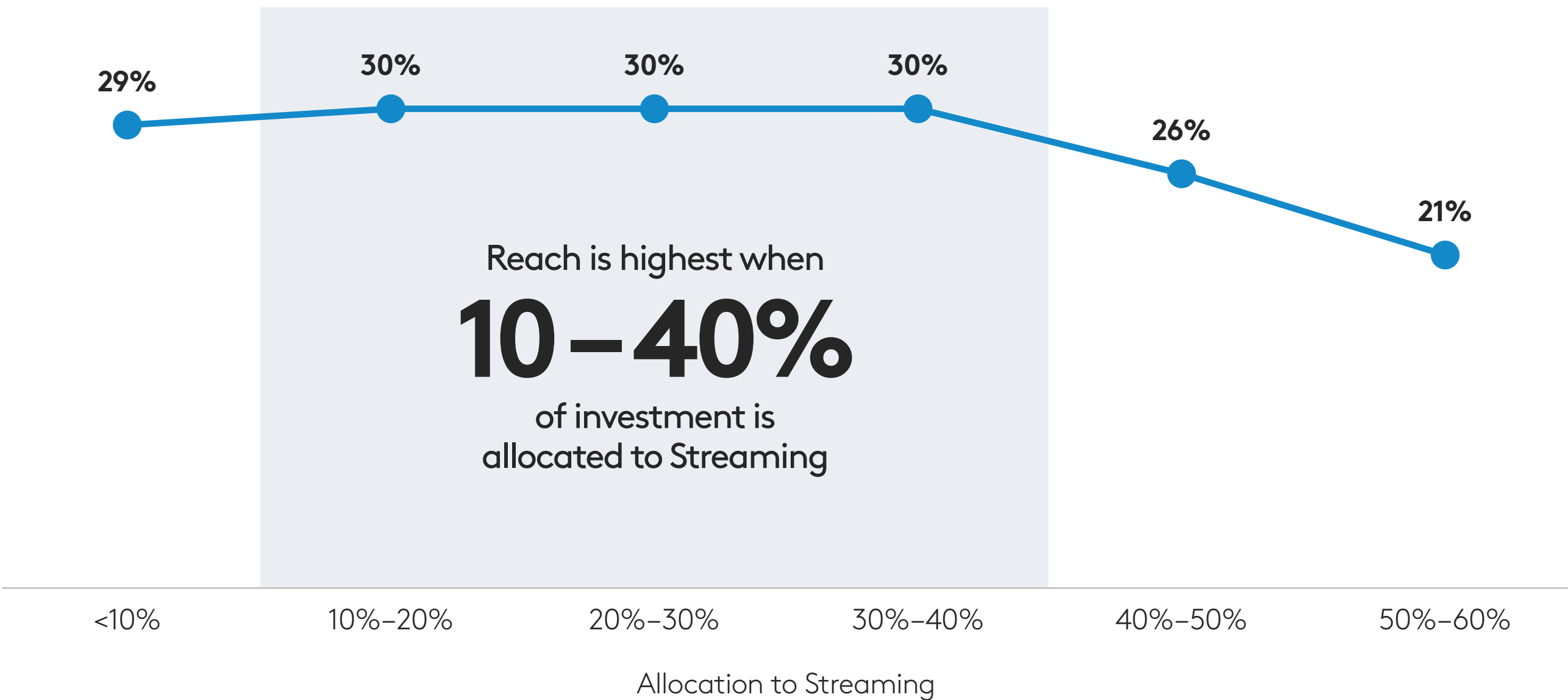
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Linear and Streaming Together Maximize Reach

Advertisers achieve optimal reach when they allocate 10-40% of investment to streaming with the remaining investment to linear. This is true because TV is still the best way to reach a large amount of people in a short amount of time and streaming helps to extend that reach. When more than 40% of campaign budget is allocated to streaming, there are diminishing returns on the campaign reach as the reach from TV is sacrificed for the frequency on streaming.

Streaming and linear can both reach an engaged video audience. Findings from surveying consumer behavior, streaming usage data, and Effectv’s cross-platform campaigns all emphasize the point that streaming and linear are most powerful when used as complements to one another.

Cross-Platform Reach based on Investment Allocation to Streaming



“For efficiency’s sake it’s important to use data in order to optimize reach when considering streaming. This analysis shows streaming’s point of diminishing return in terms of reach, so understanding audience incrementality and the optimal mix of video across all screens is critical to success.”

— Michael Law, President, Amplifi

Source: Comcast Internal Analysis of Effectv Streaming campaigns (January through June 2021).
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