THE HALO EFFECT

TV DRIVES DIGITAL

Research conducted with TVSquared

EXECUTIVE SUMMARY

In this current environment, advertising strategies are adapting to a different set of market dynamics. With restrictions of movement in place, some media channels have been impacted significantly while TV viewership is healthy. Those same restrictions are impacting many businesses and categories, but online research and demand for digital retailing is also up.

In this crucial moment for many businesses, Effectv and TVSquared have been working together to evaluate the impact that TV can have on brands' digital footprint and specifically how TV ads can drive website traffic and engagement to push consumers down-funnel.

Some key takeaways:

1

In a time of restricted movement and impacted retail environments, it is vital for brands to engage with their consumers via their **website and digital experiences**

2

Data-driven, audience-based TV strategies drive website engagement for advertisers by reaching their customers and potential customers with the right message, at scale

3

There is clear evidence of TV advertising driving **both short-term and long-term impact** on brand engagement

4

Remaining **on-air during critical times** is a key driver to ensuring that your brand remains top of mind and is primed and ready as consumers prepare for re-entry

5

Nuanced and altruistic creative messaging in this environment is key to empathizing with consumers and connecting with today's needs and wants

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INTRODUCTION

The COVID-19 pandemic has created a new reality for everyone, with most people adjusting to working from home and restrictions of movement. With consumers spending more time at home, we have seen an increase in TV viewership throughout the day compared to the same time last year. Despite high profile programming like live sports being on pause, along with postponements of events like the Olympics, consumers are watching more TV as they seek information (news) and distraction (entertainment) at new times (daytime and overnight) and on their own schedule (VOD).

With many physical storefronts closed or restricted in terms of consumer interactions, brand websites and apps are more important than ever to engage with customers and prospects.

There are multiple tactics that advertisers can use to drive traffic to their digital properties. Today, with its increased consumption patterns, TV is arguably one of the strongest ways in which brands can connect with consumers and drive action online. Beyond the concept of making viewers aware of new, altered or maintained products and services and their digital availability at this time, TV also enables brands to create connections with consumers, even if those brands cannot provide digital retailing capabilities. As a strong storytelling medium with sight, sound and motion, there are many ways in which brands can also drive brand value and recall for when customers are able to fully engage again physically with their products and services.

So while shopping habits and channels might have changed in this new environment, TV still remains a vital way to keep brands front of mind, providing supportive and community-centric messaging to drive brand favorability.

+8%

more total time spent with TV

+38%

more time spent watching VOD

+6%

more time spent watching live TV

+79%

more time spent with cable news

+22%

more time spent with TV during the day

Source: Comcast Viewership Data – National Footprint, 3/30/20 through 4/26/20 vs. same period one year ago.

ON–AIR: SHORT-TERM AND LONG-TERM IMPACT

To illustrate the short-term effect that TV can have on website engagement, Effectv and TVSquared partnered to analyze website views across more than 500 advertisers in 10 different industry categories, between January 1 and March 29, 2020. The solution, called Instant IMPACT, uses attribution methodologies to measure immediate visitors, or those who went to a brand's website within 30 minutes of an ad airing for that same brand on TV. On average, there was a **4.7% lift in immediate visitors** following the ad's airtime.

Visitors were also measured for up to 14 days after initial engagement and recorded as visits on return. During that time, there was a **+11.2% lift in visits** over that period for the measured campaigns. These immediate visitors are highly engaged and are returning to that brand's website 2.3 times on average within 14 days of the initial TV-inspired visit.

We know that TV campaigns can create a short-term impact for brands, but we also know that TV creates a longer-term brand impact beyond the 30-minute window.

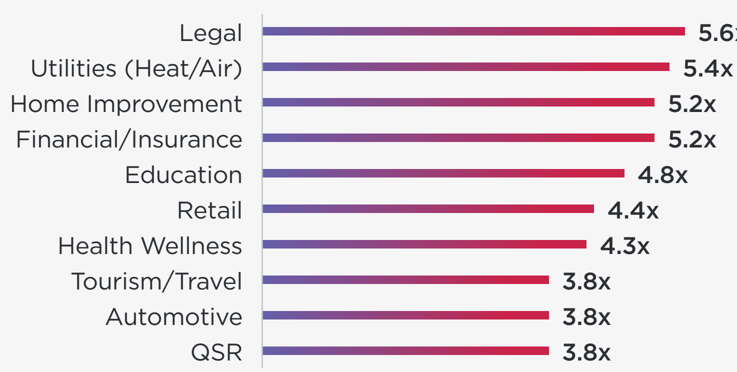
Effectv and TVSquared also analyzed the prolonged effects of TV across 276 advertisers during the same time period, who measured their linear campaign performance with Instant IMPACT.

The hypothesis is that TV advertising produces a memory effect that yields additional interested consumers and website visitors over time. The longer a brand remains on-air to build and maintain a brand presence, the greater the prolonged impact will be. The results appear to support that hypothesis:

On average, the longer-term impact of a TV campaign each week is 3–6x higher than the immediate impact, with different TV strategies driving different results. Looking across various brand categories, some were stronger than others, with legal services, utilities, home improvement and financial services leading the way. These higher performing categories should focus on sustained branding campaigns to drive awareness and recall for when consumers are in-market for their offerings.

Ad Factor

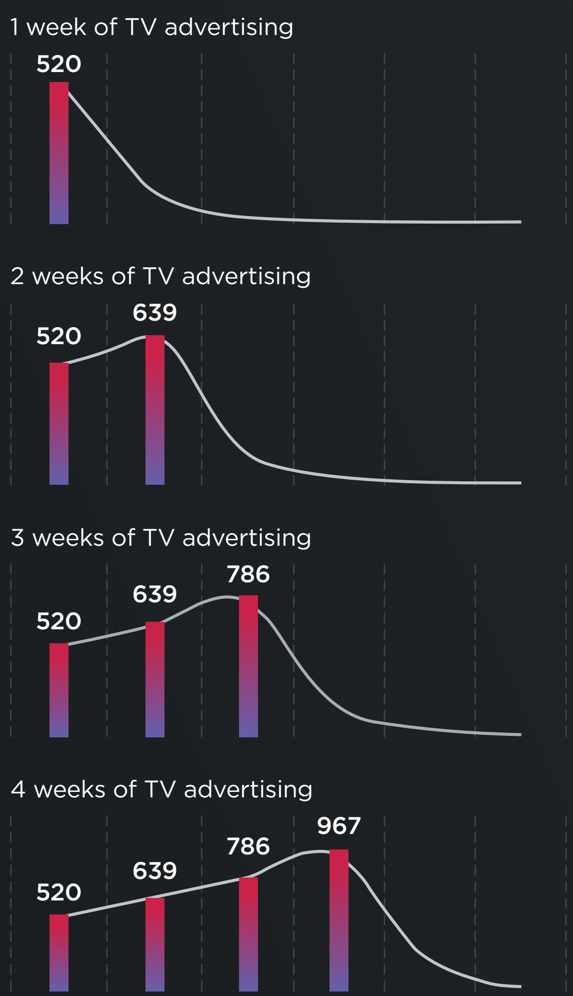
A multiplier that expresses the uplift from immediate to longer-term TV impact



Source: Effectv & TVSquared Impact Study, Q1 2020.

On average, TV drove an additional **520 visitors** to an advertiser's website per week. The average carry-over effect, or prolonged impact of TV for all advertisers analyzed was **23%.** That means for a single week of airings, TV created a halo effect that continued to influence audiences to take an action for several weeks after i.e. on average, 23% of the impact carries over to each subsequent week that the ad airs. When brands maintain a steady presence of advertising each week, that prolonged impact continues to build and carry over for many weeks. See charts below.

Website Visitors

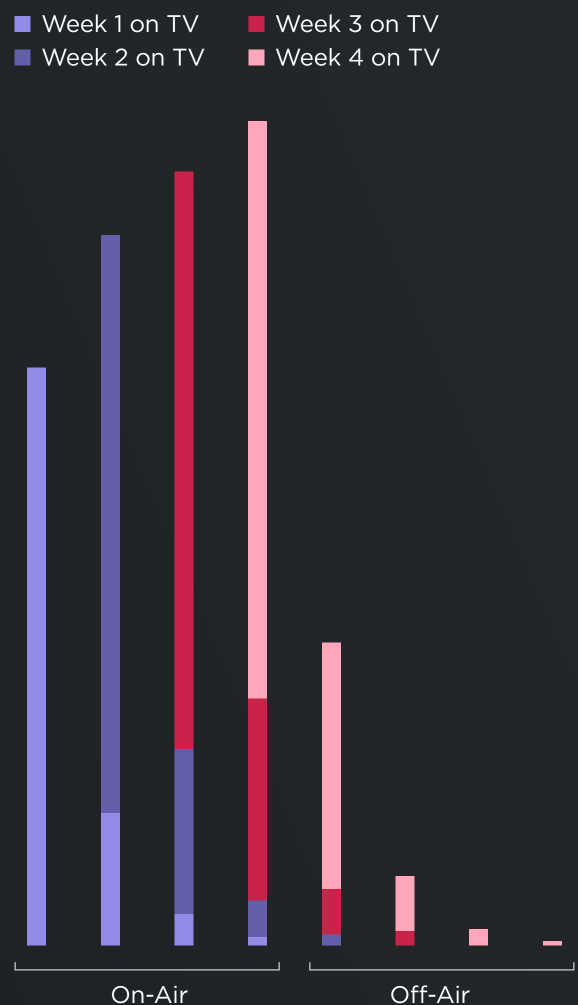


Source: Effectv & TVSquared Impact Study, Q1 2020.

Conversely, when advertisers go off-air, the impact of the campaigns deteriorates over time and creates missed opportunities to engage with consumers.

For the weeks that advertisers go off-air, their total search and direct website visitation drops by -20% on average, compared to the weeks when they are advertising on TV.

Website Response Over Time From Each Week Of TV Advertising

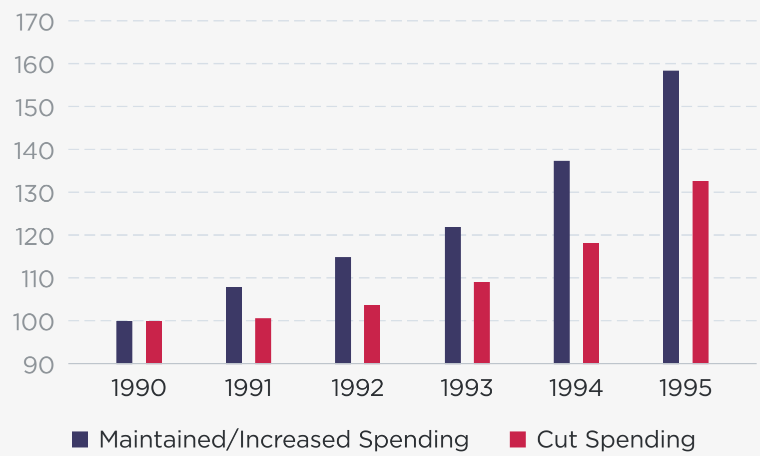


*Website Response is defined as an illustration of longer term impact of TV ad exposure based on TVSquared regression analysis, providing insights into residual website visitation that accumulates over time. Source: Effectv & TVSquared Impact Study, Q1 2020

As brands are considering the ways to use marketing during this unprecedented time, either as a way to drive viewers to their websites or build and maintain prolonged awareness, there is historical evidence of the value of staying on-air during economic downturns.

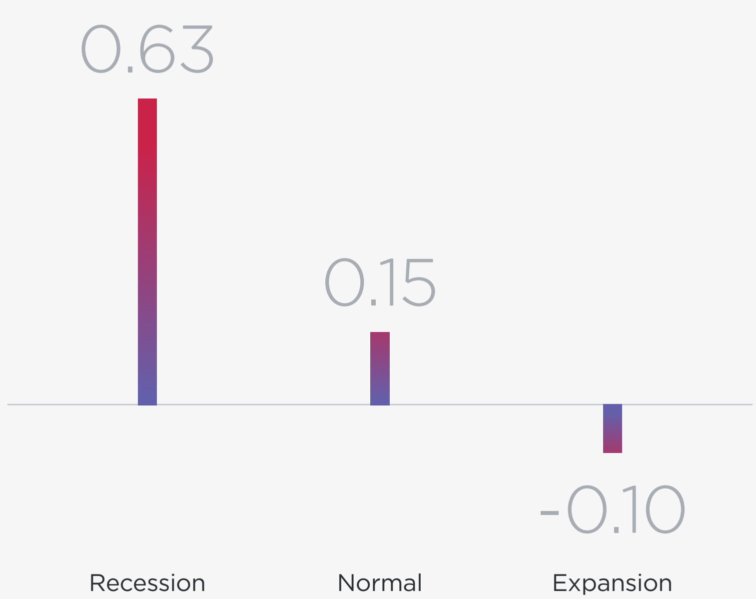
In the 1990-91 recession, advertisers that maintained or increased their spending had larger sales growth than those who cut their advertising. Those that maintained or increased their ad spend led to a 25% sales gap by 1995.

Sales Index: 1990–1991 Recession



Source: Research on Advertising in a Recession: Journal of Advertising Research, 2009.

Market Share Change By Economic Condition



Source: Research on Advertising in a Recession: Journal of Advertising Research, 2009.

With the right creative strategy, often displaying messages of empathy and support for consumers' situations, brands can build trust and brand favorability. With competitors pausing activity, more proactive brands can establish both mind share in the short term and take market share when the economy returns to a healthier place.

According to the Journal of Advertising Research, increased ad spending led to larger market share growth in 2009. Businesses continuing to advertise in a recession increased their market share up to 4x faster than in a normal economy.

Percentage Change In Market Share

Economic Condition	Decrease Ad Spend	Increase Ad Spend 1%–28%	Increase Ad Spend 28%–50%
Recession	0.2	0.5	1.5
Normal	0.2	0.2	0.2
Expansion	-0.1	0.2	0.2

Source: Research on Advertising in a Recession: Journal of Advertising Research, 2009.

Businesses that increase their spend **up to 28%** gain market share **over 2x** faster than those who decrease their spend

Businesses that increase their spend **up to 50%** gain market share **over 7x** faster than those who decrease their spend

While there may be challenges to investing in marketing during this time, if it's possible to do so, there is a significant opportunity for brands to not only gain share of voice but also share of market both in the short and long term.

THE IMPACT OF COVID-19 ACROSS CATEGORIES

In addition to the Instant IMPACT results with Effectv, TVSquared analyzed hundreds of advertisers to track trends over time, understand how TV advertising strategies have changed due to the pandemic, and to find out which categories are creating success in their adjustments.

TVSquared's COVID-19 web traffic analysis looked at weekly trends – comparing the average pre-COVID-19 TV ad performance, including web traffic and response, to patterns and performance during the start of lockdown and into the weeks following. This analysis spans a 16-week window, starting from late January through early May 2020.

There are a number of brand categories where web traffic is seeing significant upticks since the COVID-19 lockdown began. Many of these categories are heavier in direct-to-consumer (DTC) offerings, with web traffic spiking at the start of the lockdown period, but continuing to remain strong or, in some cases, still growing. Findings include:

Education

Education saw the largest jump the week before more official stay-at-home orders were put in place in March. This correlated to the time when schools began to shut down.

Food & Wellness

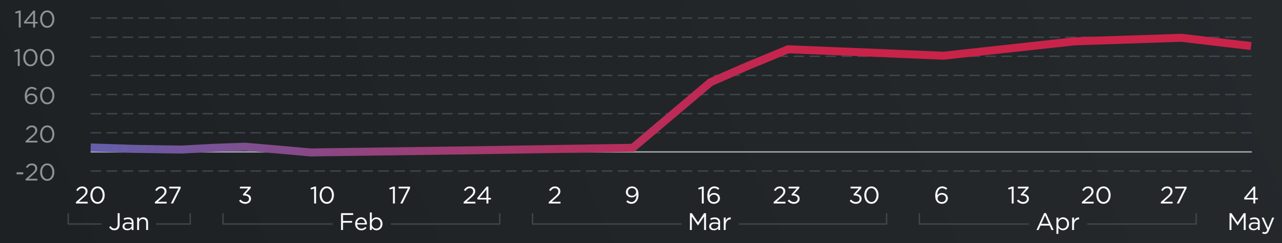
Online Food Delivery, Personal Care and Wellness/Fitness saw the largest jump in the first two weeks of lockdown, demonstrating a rising need for in-home products and services during the early weeks of lockdown.

Home/DIY

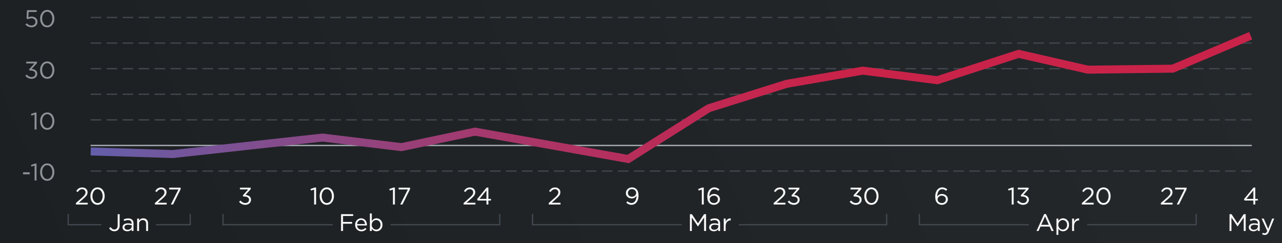
Home Improvement/DIY showed steady increases in web traffic as consumers spent more time in their homes.

These five categories have shown web traffic on the rise, surpassing pre-COVID-19 averages:

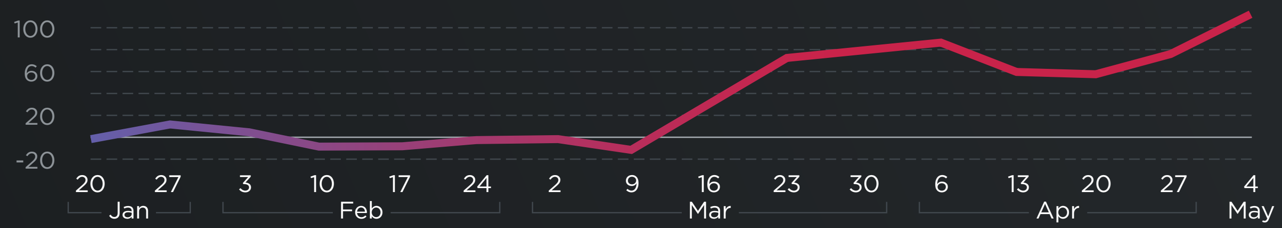
Education
Indexed Advertiser Website Traffic



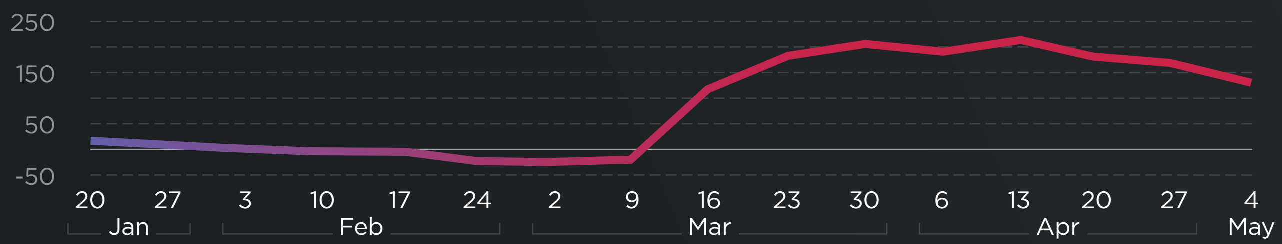
Online Food Delivery
Indexed Advertiser Website Traffic



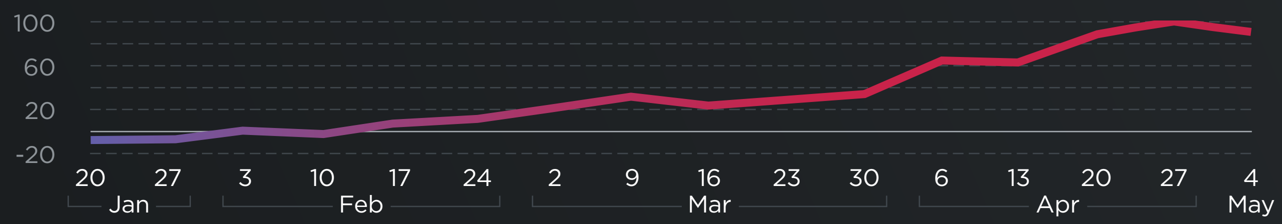
Personal Care
Indexed Advertiser Website Traffic



Wellness/Fitness
Indexed Advertiser Website Traffic



Home Improvement/DIY
Indexed Advertiser Website Traffic



Source: TVSquared Advantage Platform Analysis, Jan-May 2020.

While some categories have experienced growth, others have seen more dramatic dips. When a category has weakened web traffic, it doesn't necessarily mean it has pulled entirely off-air. Many advertisers initially came off-air or reduced spend for specific periods of time (as they recalibrated strategies, spend and creatives), but have since come back. The following six brand categories represent advertisers that have been negatively impacted by COVID-19, but that are showing signs of re-entry and recovery.

Insurance/ Automotive

Insurance and Automotive saw reduced web traffic in the weeks leading up to lockdown, and continued to dip into mid-April. They then showed signs of recovery by late April with continued increases into early May.

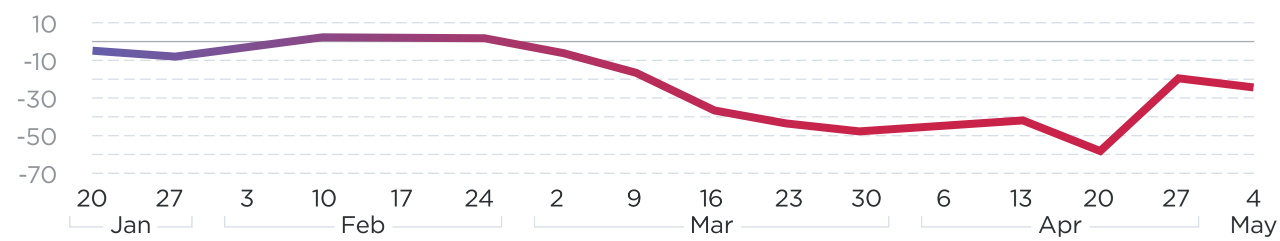
Gambling/ Retail

Gambling and Retail experienced rapid declines, which remained consistent throughout the first five-to-six weeks of lockdown, and have since shown dramatic comebacks in late April into early May.

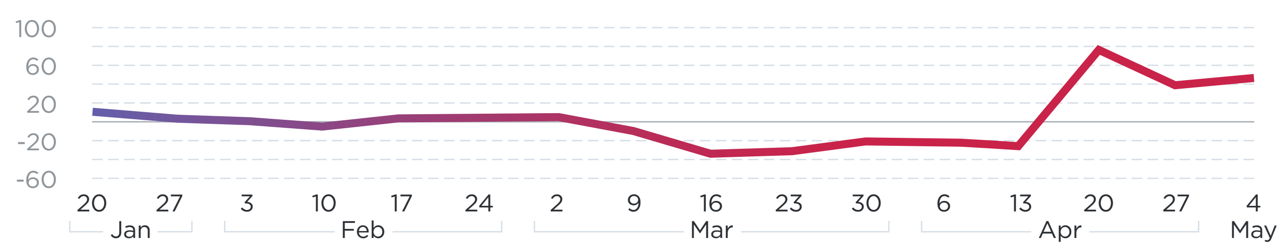
Travel/ Real Estate

Travel and Real Estate are still experiencing weakened web traffic and, given the current status of the economy and safety concerns around travel, these industries are likely to take longer to recover. Travel has dipped by as much as 80% compared to pre-COVID-19 levels, and Real Estate by as much as 100%.

Automotive
Indexed Advertiser Website Traffic

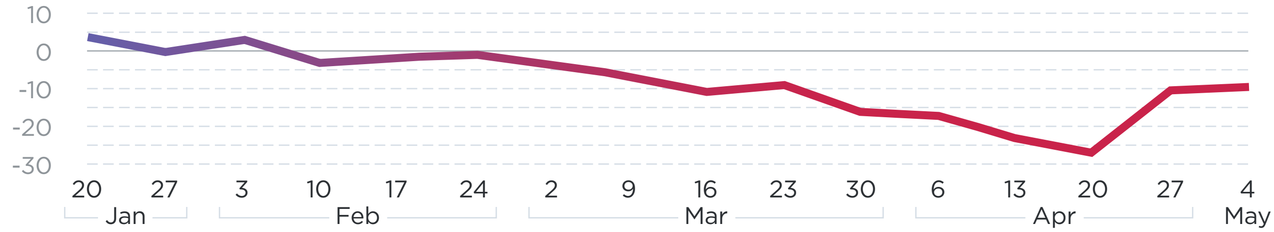


Retail
Indexed Advertiser Website Traffic

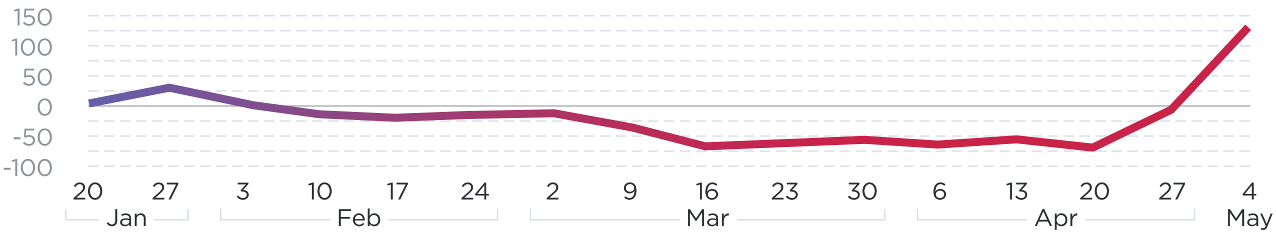


Source: TVSquared Advantage Platform Analysis, Jan-May 2020.

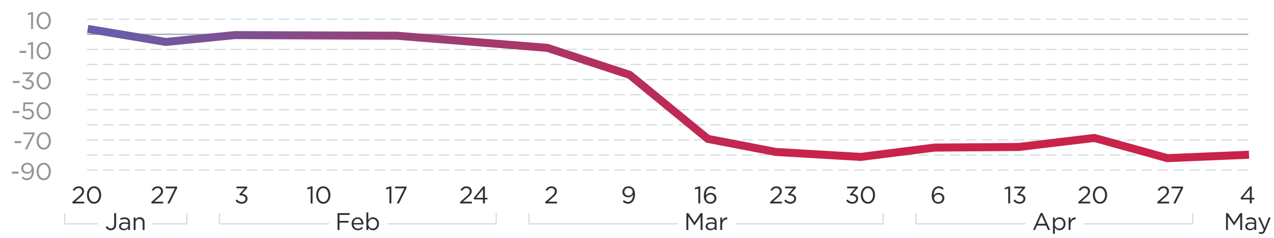
Insurance
Indexed Advertiser Website Traffic



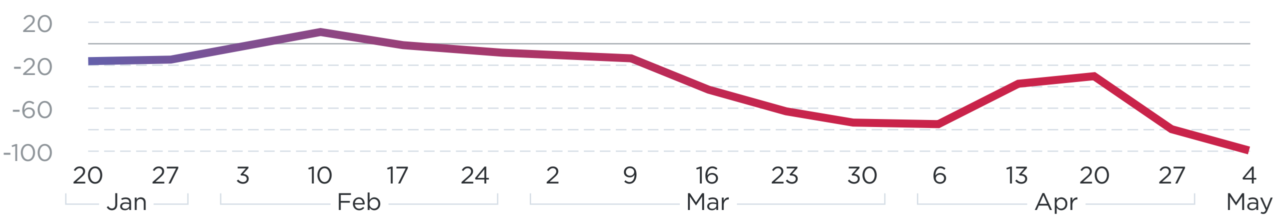
Gambling
Indexed Advertiser Website Traffic



Travel
Indexed Advertiser Website Traffic



Real Estate
Indexed Advertiser Website Traffic



Source: TVSquared Advantage Platform Analysis, Jan-May 2020.

All of these brand categories, regardless of how much they have increased or decreased, are starting to see movement as consumers change their habits and as advertisers shift their TV strategies, from creative messaging to new TV schedules. Retail, for example, will likely see additional increases now that consumers are embracing curbside pick-ups or as typical brick-and-mortar retailers adopt more e-commerce capabilities. Some categories will take longer to recover, while health and economic concerns remain.

TV = PERFORMANCE

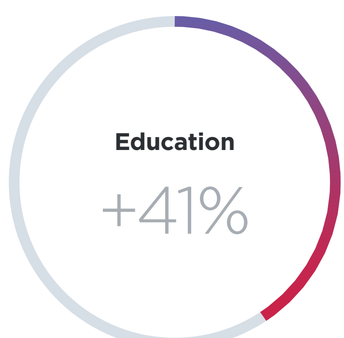
Going a step further, TVSquared also looked at which brand categories saw higher rates of TV-attributed response, zeroing in on week-by-week trends and the overall weekly average of response. This COVID-19 response analysis was based on data from January 20-April 13, 2020. Strong performing categories showed two trends:

An immediate spike at the start of lockdown, followed by response increases that were still higher than pre-COVID-19 levels

A more gradual increase in the weeks following lockdown

Strong performing categories included Online Food Delivery, Education and Retail (e-commerce). All of which had significantly higher response levels compared to pre-COVID-19.

Average weekly response increase compared to Pre-COVID-19 rates:*



These category-level insights demonstrate that audiences are leaning into TV because it provides a strong platform for reaching and influencing consumers, even during uncertain times.

Although we're beginning to see new trends take shape over time, TV will continue to drive performance for brands across different categories. It has never been more important or more possible to prove the effectiveness of TV and video. Live, actionable, TV analytics are shaping how advertisers plan their approach to their TV investments over the next 6-12 months, making TV attribution a vital part of any advertiser's marketing strategy.

*pre-COVID-19 averages based on seven weeks leading up to lockdown with the analyzed period starting the week of March 9 and going through April 13 (6-week period).

Here are a couple of deep dives into TV-driven response (all types of website interaction) for Online Food Delivery and Education:

Real-World View: Online Food Delivery

TV plays a critical role in driving response for this national online food delivery brand, demonstrating that performance skyrocketed since lockdown and that TV is contributing to its success. As a result of always-on analytics, this advertiser has managed to create efficiencies while still driving more TV-driven response than pre-COVID-19.

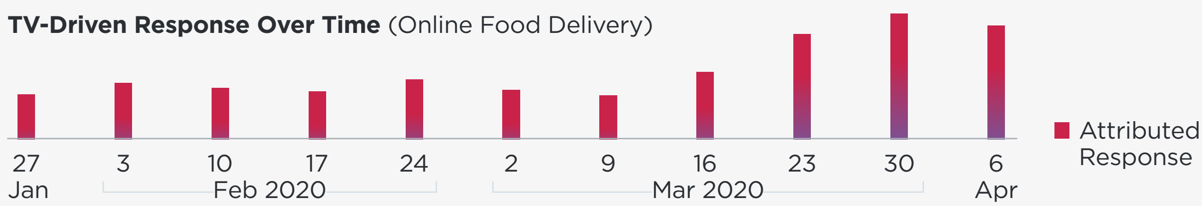
- Since lockdown, response increased by more than **100%** compared to pre-COVID-19
- Cost per response has seen significant improvements during COVID-19, improving by **60%** at the end of March
- TV-driven response is increasing across key dayparts

Real-World View: Online Education

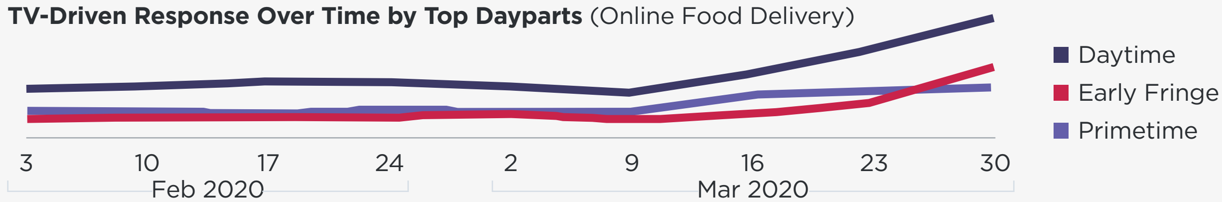
An online education brand didn't see immediate improvements in TV-driven responses at the start of lockdown; instead, it saw a slight reduction before experiencing a strong uptick. Many brands reduced spend in the early lockdown period as they recalibrated their TV strategies, but this example demonstrates the impact of staying on-air, creating opportunities to grow response levels with the right campaign adjustments.

- TV-driven response has spiked as a result of COVID-19, increasing by **63%** compared to the pre-COVID period
- Average TV spend increased by **35%** since lockdown, compared to the pre-COVID period

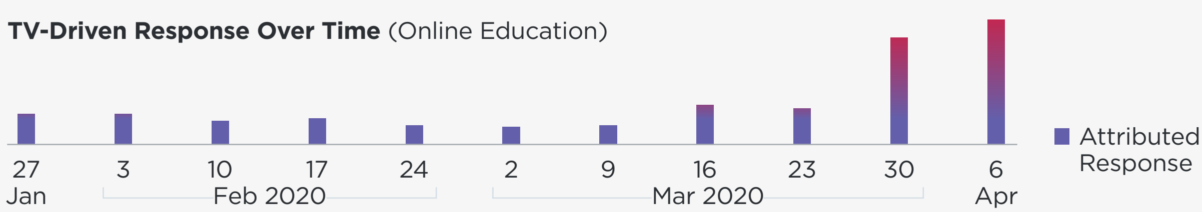
TV-Driven Response Over Time (Online Food Delivery)



TV-Driven Response Over Time by Top Dayparts (Online Food Delivery)



TV-Driven Response Over Time (Online Education)



Source: TVSquared Advantage Platform Analysis, Jan-May 2020.

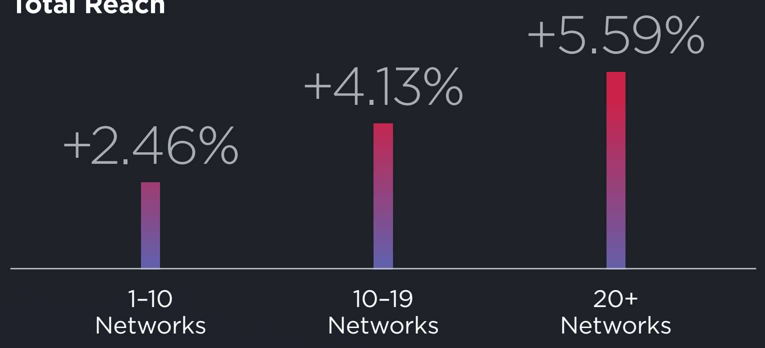
DATA DRIVES RESULTS

TV campaigns can create opportunities to reach consumers and drive them to advertisers' websites or apps to engage with brands and there are a number of tactics that advertisers can use to maximize this impact.

By using audience-based TV advertising strategies, brands can harness data insights to drive optimal reach and frequency and drive incremental traffic to their websites. This is especially relevant at a time where tentpole events like sports and appointment viewing have been paused and there are less content-adjacent sponsorship opportunities. However with viewership up, and fragmented across a larger set of networks and programming, using data insights to find audience viewing habits is essential.

Through the study of over 500 Instant IMPACT campaigns, Effectv and TVSquared found that audience-first schedules that run throughout dayparts and across multiple networks drive the highest lift in immediate website traffic. Diving deeper into the results, broader reach campaigns, running across a larger number of networks, were found to drive a positive impact on website visits. On average, campaigns that ran across 20+ networks yielded 127% higher immediate visitor lift (IVL) numbers than campaigns running across less than 10 networks (and 35% higher IVL than campaigns running across 10-19 networks).

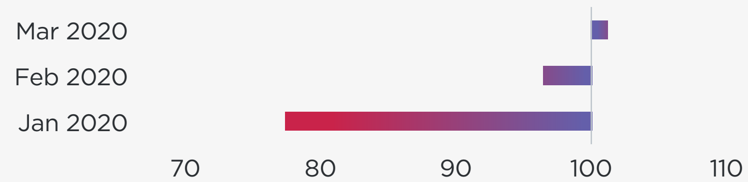
Total Reach



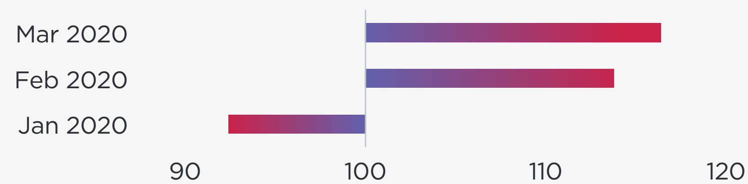
Source: Effectv & TVSquared Impact Study, Q1 2020.

Additionally, with both TV viewership and digital retailing (within certain segments) being up, both primetime and daytime generated more increased traffic to websites in March and April than the same time last year. With more time at home and with more time for online research and browsing, March over-indexed in both immediate visitors and visits per spot versus 2019.

Immediate Visitors Per Spot vs 2019

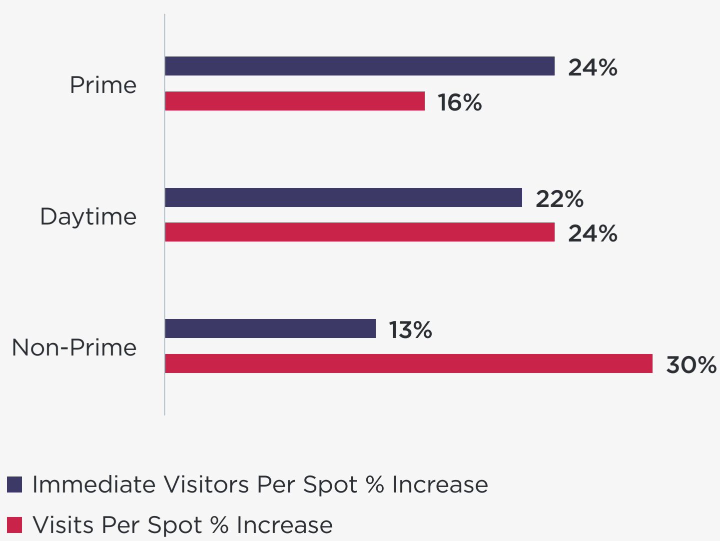


Visits Per Spot vs 2019



Source: Effectv & TVSquared Impact Study, Q1 2020.

Immediate Visitors and Visits Per Spot % Increase
March 2020 vs 2019



Source: Effectv & TVSquared Impact Study, Q1 2020.

While viewership is up across all dayparts, the increases are very pronounced during daytime and there were +31% and +22% YoY jumps in March and April respectively. In Q1 overall, with stronger viewership, there was also a 24% increase in immediate visitors per spot for primetime and 22% increase in daytime compared to last year. Non-prime dayparts overall are yielding a 13% increase in immediate visits per spot for the same time period. Non-prime and daytime dayparts saw the biggest increases in repeat visits, which is likely linked to people spending more time at home in general and on weekends.

CREATIVITY & CONSISTENCY

For the world, the ad industry, and every one of us, COVID-19 is uncharted territory – impacting not only our day-to-day home and work lives, but also finances, how we interact with brands and the way we prioritize and buy products and services.

As noted above, during past crises and economic downturns, brands that continued to advertise saw significant opportunities to retain and grow mind share – especially as competitors went off-air. Given the wide-spread impact of COVID-19, brands have also had to re-evaluate creatives and messaging to reflect what's happening in society in a highly sensitive and impactful way. Notable examples of COVID-19 creative changes have included contactless delivery, payment extension and forgiveness, and shifts to "we're all in this together" and "you're not alone" messaging from brands in all categories.

In the first few weeks of lockdown, TVSquared saw a drop in TV ad spend, after which spend began to rise again as brands came back on-air with situationally-appropriate creatives and via buys that would reach audiences consuming TV in different mindsets from the weeks and months prior.

Effectv and TVSquared analyzed brands from across categories, between March and April 2020, that changed creatives to address the pandemic, and compared their performance against those brands that did not. Brands that ran COVID-19 creatives saw an average lift of +37% in immediate website visitors. Those that did not amend their creatives, only saw an average lift of +13% in immediate visitors.

Real-World View: Education

In the case of two online adult education institutions, the impact of changing creatives was very evident. University #1 changed its creative in mid-March, while University #2 did not. Both ran spots at similar frequencies, but University #1 saw an increase in immediate visitors of +34% and reduced its cost-per-visitor rate by -11% in less than two weeks. While University #2 was still driving response with TV, it was -92% lower than University #1.

Brands that ran COVID-19 creatives saw an average lift of +37% in immediate website visitors. Those that did not amend their creatives, only saw an average lift of +13% in immediate visitors.

During the same analysis, another trend emerged among the brands that ran COVID-19 creatives. **While changing creatives did increase performance in most cases, that tactic alone was not always enough. Maintaining a consistent, well-rounded airing schedule of those creatives was even more critical for success.**

Those brands that maintained consistent, week-by-week schedules of COVID-19 creatives saw, on average, a +41% increase in immediate visitors. Brands that ran COVID-19 creatives but had inconsistent schedules actually saw a decrease in immediate visitors of -24%.

An increase in performance among brands that ran COVID-19-related creatives – and did so consistently – resonated across verticals as well:

Automotive

As sellers of high-consideration products, the automotive industry has long understood the importance of remaining on-air for awareness and recall. While ad spend for the category dipped early on during lockdown, TVSquared has seen it return to pre-COVID levels once creatives were modified.

Among automotive advertisers that ran COVID-19 creatives, those that maintained consistent airing schedules saw, on average, a +153% increase in immediate visitors. Those with inconsistent airing schedules saw a decrease in visitors of -14%.

To prove that the effectiveness was not just due to the consistency of being on-air, but rather a combination of messaging and regular airings, TVSquared analyzed brands that also stayed on-air but without pandemic-related messaging. Those brands saw a decrease in immediate visitors of -2%.

Real-World View: Automotive

A Colorado-based car dealership revised its creative and devoted significantly more spend to TV in April. Running a consistent schedule (with zero weeks off-air) from late March to end of April, it increased immediate visitors by +63%.

Car Dealership	March 2020	April 2020
Spot Count	2,965	5,707
Networks	40	30
Creatives	7	2

Creative changes + consistent airing schedule = +63% increase in immediate visitors

Source: Effectv and TVSquared Campaign Analysis, Jan-May, 2020.

Home Improvement

With COVID-19 forcing the majority of people to stay home, it is not surprising that home improvement brands have seen significant growth among consumers with the new-found time to take on projects. In March and April, home improvement was one of the top-performing categories among all TVSquared clients globally, with TV-driven response increasing by +43% and +80%, respectively.

The home improvement brands that stayed on-air consistently with COVID-19 creatives saw an average increase of +52% in immediate visitors. Those with inconsistent COVID-19 ad airings had a decrease in visitors of -41%.

Consistency is particularly powerful in this category - even without a COVID-19 message. Those that remained on-air without COVID-19 messaging still experienced a +34% average increase in visitors (vs. a 52% increase among brands running consistent COVID-19 ads).

Real-World View: Home Improvement

A windows, doors and siding company, also in Colorado, revised its creative to reflect the times, and not only did it run consistent airings, but it also diversified its programming and daypart mix in the weeks following lockdown. The brand initially ran 32% of its spots during primetime, and 61% on sports and news programming. During the pandemic, it took a broader approach, buying more dayparts (reducing primetime to 8%) and programming genres (reducing news and sports to 50%). The result was a massive increase of +1,360% in immediate visitors.

Home Improvement Brand	January–February 2020	March–April 2020
Spot Count	1,935	1,363
Networks	37	37
Creatives	6	7

Creative changes + consistent airing schedule + more diversified buys = +1,360 increase in immediate visitors

Source: Effectv and TVSquared Campaign Analysis, Jan-May, 2020.

Financial Services

Financial services brands, including those within the tax space, are frequent TV advertisers during “normal” times. During crises, these brands understand the importance of staying in front of consumers, many of whom have financially-related issues top of mind.

Among analyzed financial services brands, those with consistent schedules of COVID-19 ads saw a +37% average in immediate visitors, while those with inconsistent COVID-19 schedules saw a decrease of -21%. Those that stayed on-air with non-COVID-19 ads saw an average increase of +16%.

Community Bank	March 2020	April 2020
Spot Count	623	786
Networks	34	35
Creatives	1	2

Creative changes + consistent airing schedule = +81% increase in immediate visitors

Source: Effectv and TVSquared Campaign Analysis, Jan-May, 2020.

Real-World View: Financial Services

A community banking branch in the Northeast ran creatives on a week-on/week-off cadence before COVID-19. Once the lockdown occurred, it went off-air the week of March 23, changed its creative messaging and ran spots consistently each week. The result was an +81% increase in immediate visitors.

Staying nimble and adapting creatives to reflect what is happening in the world is paramount for brands – but so is keeping a consistent schedule of those creatives to ensure they resonate and drive actions and recall. These two variables, when done correctly in concert, can drive significant results. However, agile creative changes are not just reserved for crises. The world of TV advertising is becoming much more dynamic and brands need to be prepared to adapt creatives and schedules regularly to drive optimal results.

WRAP UP

Advertisers have to constantly evaluate their approach to TV advertising, including adjusting schedules based on new viewership trends, changing creatives to align to the current environment and leveraging always-on performance metrics and KPIs (i.e. web visits, new sign-ups, app engagement, etc.).

In the wake of COVID-19, TV viewership is up year on year and website traffic has increased. It is more important than ever for advertisers to engage with their consumers through their digital footprint.

It is TV's ability as a full-funnel solution that enables incremental traffic to brands' websites at this crucial time when many businesses are relying on digital sales and revenue, both immediately and for an extended period of time.

Pausing TV activity can diminish brand awareness and lead to missed opportunities for advertisers to engage with consumers in altruistic and commercial ways. This can also open the door to other competitors to steal share in the short and long run. Adjusting creative messaging to reflect the current environment and consumer mindset is key to foster brand affinity and meet customers' evolving needs.

It is more important than ever for advertisers to build a data-driven TV schedule to reach and engage with their target consumers by buying broad and deep, with a consistent schedule.

Always-on TV attribution has never been more important as TV investments need to work harder than ever before. The ability to measure proof-of-performance and access transparent results informs schedule changes, enabling brands to find more (and better) opportunities to reach consumers across screens.

Building and maintaining trust with customers and prospects is critical at this time, and the halo effect of TV to drive both short-term and long-term value with consumers is worth harnessing.

About Effectv

Effectv, the advertising sales division of Comcast Cable, helps local, regional and national advertisers use the best of digital with the power of TV to grow their business. It provides multi-screen marketing solutions to make advertising campaigns more effective and easier to execute. Headquartered in New York with offices throughout the country, Effectv has a presence in 66 markets with nearly 35 million owned and represented subscribers.

For more information, visit www.effectv.com.

About TVSquared

TVSquared is the largest global enterprise platform for cross-screen, multi-touch attribution across all forms of linear and digital TV content. TVSquared's always-on analytics platform empowers brands, agencies, networks and publishers to quantify TV's impact, tie TV to business outcomes and optimize ad performance across TV everywhere. Thousands of advertisers in more than 70 countries work with TVSquared to measure TV across millions of households and billions of ad impressions.

Learn more at www.tvsquared.com.