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**THE 2023
STATE OF
FAST**


COMCAST
ADVERTISING

FAST'S GROWTH IS HELPING SHAPE THE FUTURE OF VIDEO



Time spent with OTT continues to soar, and FAST and AVOD are helping to drive this as some of the quickest-growing sectors of streaming video. FAST, in particular, has matured at a break-neck pace and in the past decade alone the format has exploded – increasing across services, channels, and viewers.

In the relatively short time that FAST has been around, it has helped shape the future of premium video for advertisers and consumers alike. Many advertisers have been quick to embrace it due to the value it adds to their traditional buys, serving as a powerful method to engage viewers in a linear-like environment with the targeting and ease of digital advertising.

This report aims to provide buyers with the latest insights by tying together current consumer and advertiser usage of FAST, including verbatim quotes from leaders across the industry. The in-depth look at today's audience and advertiser trends will arm buyers with the best understanding of why and how to incorporate FAST into their media strategies to reach consumers in the converging premium video landscape.

Like the rest of the advertising industry, FAST is evolving at an exponential rate as more realize its potential. One thing is certain though:

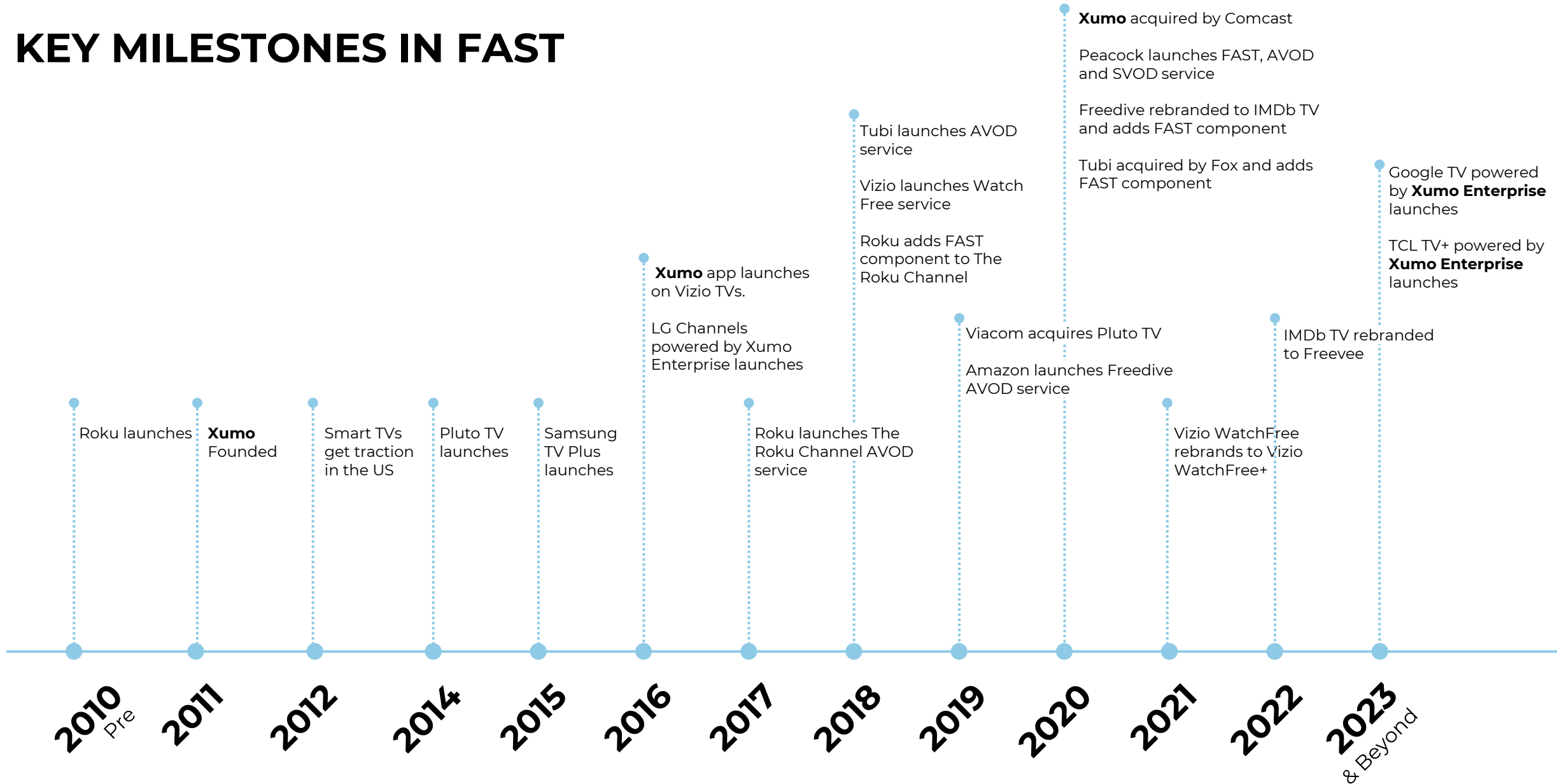
THE FUTURE IS FAST



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Comcast Advertising*

KEY MILESTONES IN FAST





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THE OTT ECOSYSTEM

For this report's purposes, we will be defining the primary OTT channels as:

SVOD

(Subscription Video on Demand)

A streaming video service where subscribers pay a flat fee (often monthly) for access to a catalogue of on demand content with limited or no ads.

apple tv Disney max hulu

peacock NETFLIX

AVOD

(Ad-Supported Video on Demand)

A streaming video service that offers viewers access to a free catalogue of on demand content and contains advertisements.

CRACKLE YouTube crunchyroll

twitch dailymotion tubi

FAST

(Free Ad-Supported Streaming TV)

Ad-supported live streaming channels without a subscription.

The Roku Channel freevee

tubi xumo pluto tv

FAST OFFERS FREE VIEWING ALTERNATIVES FOR CONSUMERS

FAST Offers a Lean-Back Experience at No Cost
FAST is overwhelmingly watched on the big screen¹

94%

of FAST impressions are on TV screens



4%

of FAST impressions are on Mobile



2%

of FAST impressions are on Desktop or Other



Source:

1. Comcast Aggregated Viewership Data combined with Ad Exposure Data from TV + Effectv Streaming campaigns (1H'23)
2. Kantar, Video Streaming Market Growth Stalls in the US, April 2022



Today's consumers seem to have unlimited options of how and where to watch their favorite TV content across traditional and streaming.



It's estimated that US consumers have an average of nearly five streaming subscriptions per household² and most come at a cost.

In today's crowded streaming market consumers may be reevaluating their spending and cutting back on paid subscriptions. Because of this, FAST can become increasingly valuable as it is a free alternative to paid streaming.

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VIEWERS ARE EMBRACING FAST



93%

of consumers have heard of at least one major free streaming service that offers FAST.¹

Nearly half of consumers regularly watch at least one FAST service² with FAST viewers using an average of 1.9 FAST services.²

+136%

More time Xumo users spent with FAST compared to AVOD in 1H 2023.³



It's almost like a cable service but with all free entertainment.



FAST User, Aug. 2023²

Source:

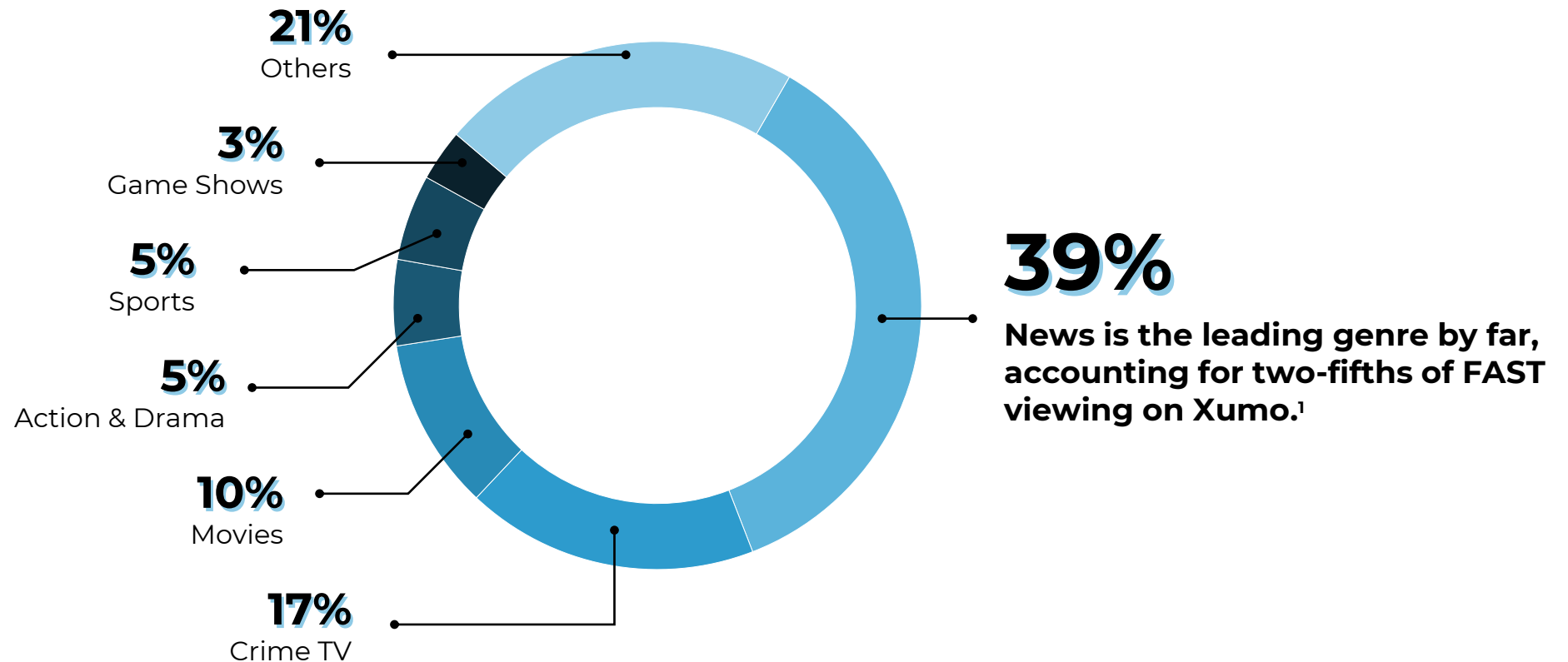
1. Comcast & MediaScience, "What is Premium Research," 2023. *Services asked: Xumo, Pluto TV, Tubi and Freevee

2. Xumo & FASTMaster "FAST Landscape Study" *16 services were shown to respondents

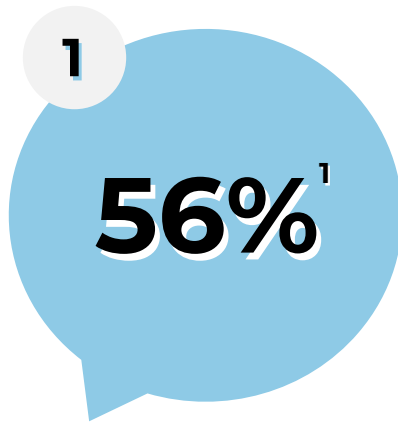
3. Xumo Internal Viewership Data, 1H 2023

NEWS IS THE MOST VIEWED GENRE ON FAST

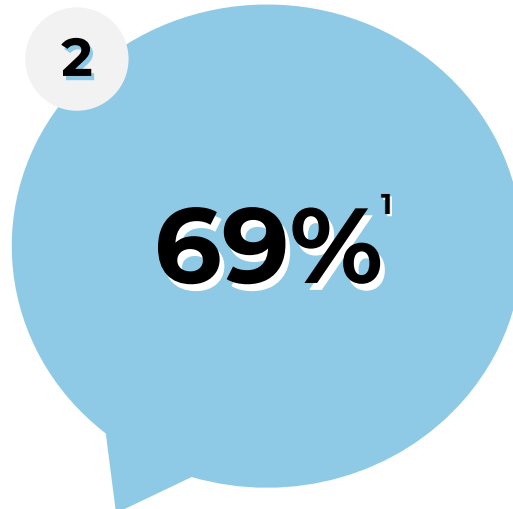
On average, consumers watch multiple genres on FAST outside of News.



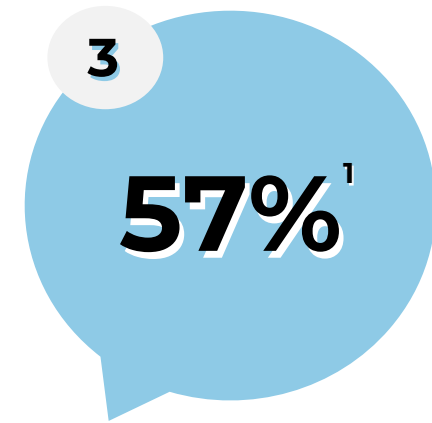
FAST VIEWER OPINIONS



Say FAST channels are as good as cable channels



Say they can always find something to watch on FAST



Rate FAST channels as entertaining

KEY FAST FACTS

FAST is driving incremental reach and helping to deliver impressions to hard-to-reach households.

10X

FAST impressions are 10x more likely to be delivered within hard-to-reach HHS* than traditional TV impressions.¹

2.3X

FAST impressions are 2.3x more likely to be delivered within hard-to-reach HHS than other streaming sectors.¹

54%

Over half of advertisers use FAST because it extends the reach of their audience.²

88%

of highest-reaching multiscreen campaigns included FAST.¹



Source:

1. Comcast Aggregated Viewership Data combined with Ad Exposure Data from TV + Effectv Streaming campaigns (1H'23)
2. Advertiser Perceptions commissioned by Comcast Advertising, August 2023

*Households (HHS) with no TV service or TV viewing from 1H '23 and Comcast HHS with a pay TV service that spent, on average, less than about one hour per day viewing.

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ADVERTISER INTEREST IN FAST IS GROWING

“

[A key reason I use FAST] is the volume. There's a lot more volume in a FAST environment and more volume equals lower pricing, lower pricing equals more wins in a programmatic bidding environment and also the broader ability to reach audiences.

”

FAST Buyer, Group M¹

As with all other streaming advertising solutions, FAST should be considered as one tactic in an overall multiscreen video strategy that includes traditional TV.

48%

Nearly half of buyers say that they currently use FAST in their media buying and planning.²



56%

Over half of those not buying on FAST say they think they'll buy an ad on FAST before the end of 2023.²



FAST ADVERTISING SPEND IS TRENDING UP

84%

of FAST buyers expect their FAST spending to grow in 2024.¹

42%

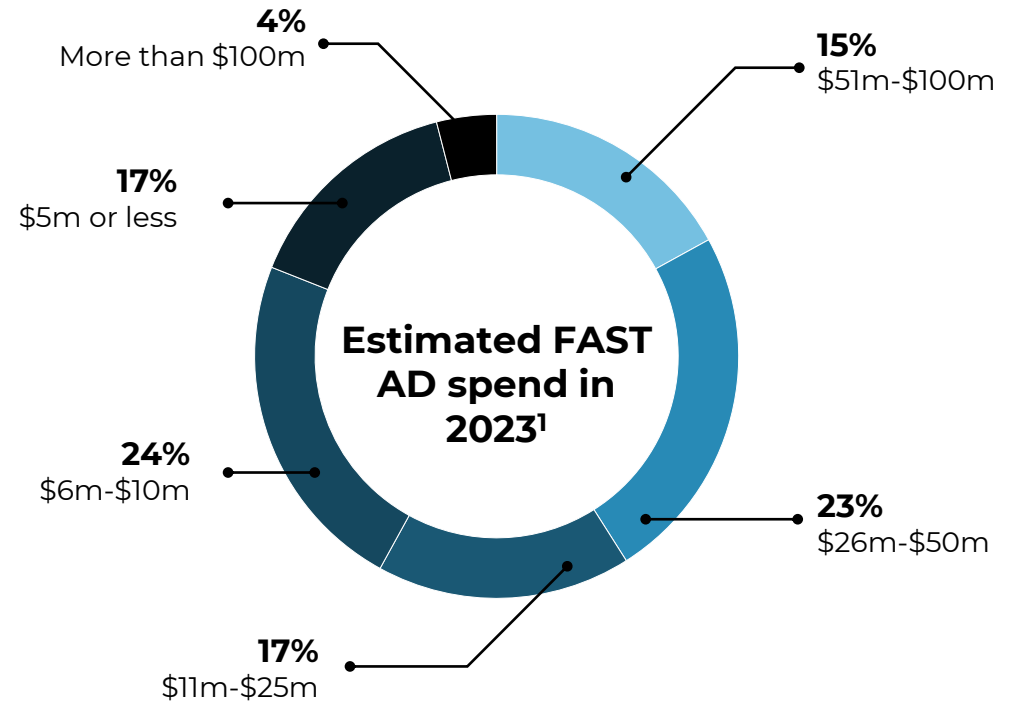
of buyers plan to spend more than \$25mm on FAST in 2023.¹



If you're doing your first buy on FAST, my advice would be to do your research on the audience you want to attract, what eyeballs they're trying to get, and then what content that audience lean into and try to make a custom channel buy curated within a FAST service.



FAST Buyer, Goodwin Group¹



WHY BUY ON FAST?

Why Advertisers buy on FAST

3 in 5 FAST buyers use FAST to target a specific audience.¹



Half of FAST buyers say that they use FAST to reach cable subscribers who are watching FAST channels.¹



2 in 5 FAST buyers said they use FAST due to cost effectiveness.¹



According to 75 advertising leaders buying on FAST, 70% started to advertise on FAST in the last 12 months¹ (1 in 5 within the last 6 months¹)

How Advertisers buy on FAST



Buyers can occur across groups of channels by genre, by individual channels or by a targeted blend of different genres to reach a specific demo.¹



1 in 2 FAST buyers run a campaign across multiple FAST services.¹



1/3 say they have run campaigns using only one service.¹



If you want to scale your buys, you're not going to get that just by buying against SVOD services right now because there's very few ads to buy, and fewer people are actually subscribed to the ad-supported tier. If you want to scale your buys, you'd add FAST to it.



FAST Buyer, Publicis¹

ADVERTISER ATTITUDES ON FAST

73% of FAST Buyers and 68% of Non-FAST Buyers say:
FAST is one of the viewing formats of the future.¹

71% of FAST Buyers and 67% of Non-FAST Buyers say:
FAST allows me to reach audiences I can't find elsewhere.¹

61% of FAST Buyers and 60% of Non-FAST Buyers say:
The linear nature of FAST channels is appealing to me as
an ad format.¹

Definitions

FAST Buyer = Bought on FAST in 2023

Non-FAST Buyer = Have not bought on FAST in 2023



FAST ADOPTION DIFFERS IN EUROPE

The growth of FAST in the US has been much quicker than what we've seen in the EU.

30%

FAST channels account for 30% of total ad views in the US.¹



8%

FAST channels account for 8% of total ad views in the EU.¹



While the growth across Europe may be slower, likely related to the fact that premium content is often accessed through paywalls or via telco operator authentication, advertisers should be poised to tap into FAST to reach their audience.



Europe has seen relatively rapid growth of FAST recently, as ad impressions doubled in Q3 2022 as compared to the previous year.¹

WHAT'S NEXT FOR FAST

As premium video continues to transform, we are seeing it enter a new phase where it becomes even more converged. In the year to come, the industry can expect to see more work done to enhance the viewer experience, and, in turn, drive increased advertiser adoption.

Further Blurring of FAST and Linear

Unlike other streaming options, FAST's power lies in the fact that it provides a live linear-like experience. Currently, we are seeing this feature further enhanced as companies are merging over-the-top FAST channels alongside traditional cable programming in the channel line-up, making it even easier for users to discover and access the content.

More Focus on Personalization and User Experience

FAST services have a huge opportunity to increase their focus on the individual user and how they prefer to engage with content. Giving users the most personalized experience will make it easier for them to engage with the content, and those services who prioritize this will be best positioned to attract audiences.

Increased Advertiser Education

As FAST grows, education among advertisers will become increasingly important. Research from Xumo/FASTMaster showed that while there's great appetite for FAST among both consumers and advertisers, the knowledge base is still lacking. Once this catches up, interest can be expected to grow.

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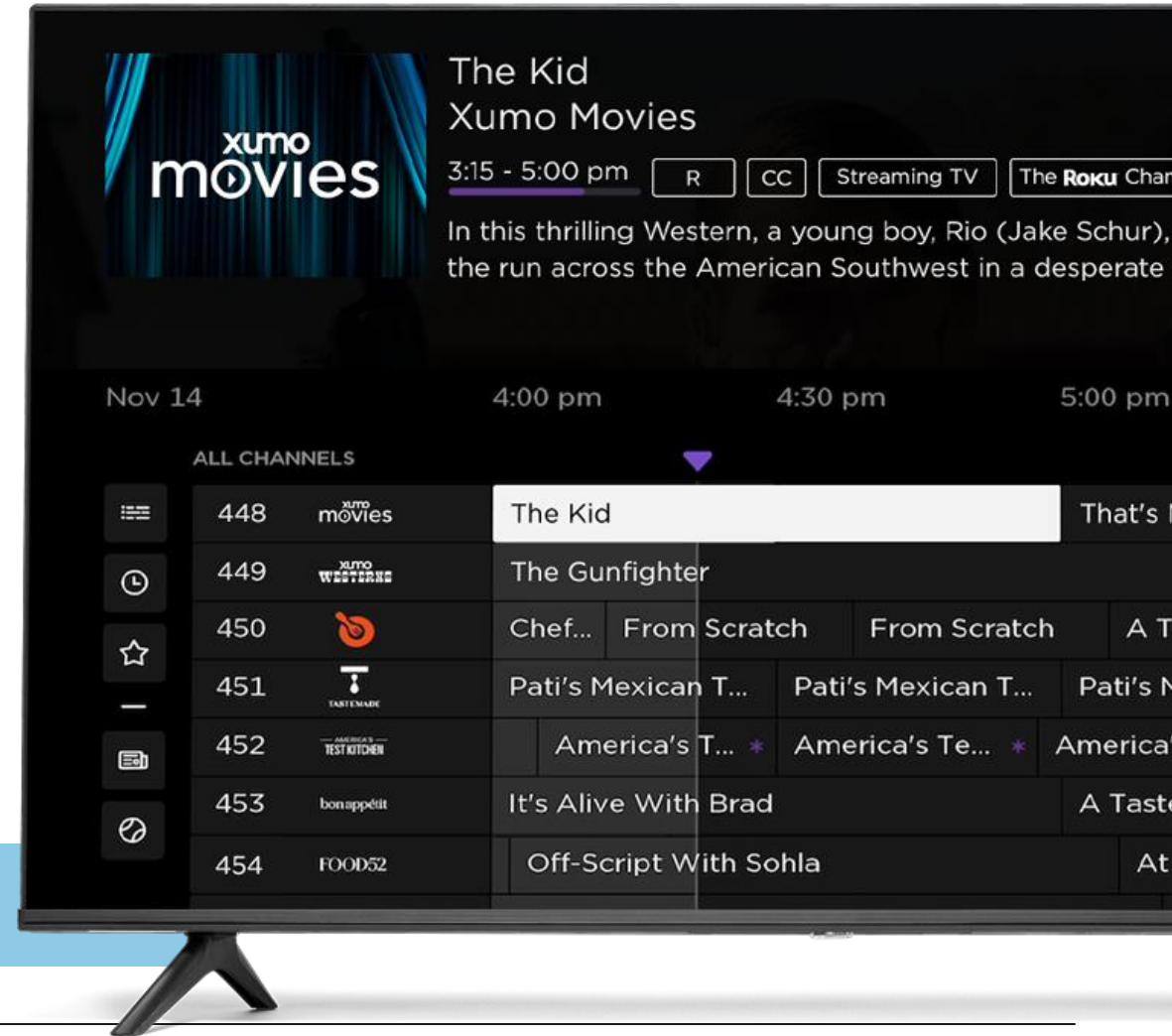
The appetite for FAST among advertisers is strong, with current buyers anticipating greater spend and non-buyers showing increasing interest in the medium.

Viewership also continues to rise as evidenced both in this report as well as in statements made during the NewFronts and at industry conferences throughout the year from FAST channels. FAST is becoming indistinguishable from cable TV to viewers and will continue to grow.

FAST therefore is a great medium to reach both cable TV subscribers who aren't watching a cable channel at that point in time, and those who have left the ecosystem altogether, and should be part of every advertiser's toolkit to maximize both incremental and additive reach.

FAST can only be expected to grow, not shrink, in audience.

To learn more about the role of FAST for advertisers, please visit <https://www.xumo.com/enterprise>.



COMPANY INFORMATION

Comcast Advertising

Comcast Advertising is the advertising division of Comcast Cable. As a global leader in media, technology and advertising, Comcast Advertising fosters powerful connections between brands and their audiences as well as among publishers, distributors, MVPDs, agencies and other industry players. Effectv, its advertising sales division, helps local, regional and national advertisers connect with their audiences on every screen by using advanced data to drive targeting and measurement of their campaigns. FreeWheel, its media and technology arm, provides the technology, data enablement and convergent marketplaces required to ensure buyers and sellers can transact across all screens, across all data types and all sales channels, in order to ensure the ultimate goal – results for marketers. Comcast Cable, along with NBCUniversal and Sky, is part of the Comcast Corporation (NASDAQ: CMCSA).

<http://comcastadvertising.com/>

Xumo

Xumo, a joint venture between Comcast and Charter, was formed to develop and offer a next-generation streaming platform for the entire entertainment industry. The company is defined by three primary lines of business: Xumo devices, Xumo Play, and Xumo Enterprise.

Powered by Comcast's global technology platform, Xumo devices feature a world-class user interface that includes universal voice search capabilities making it easy for consumers to find and enjoy their favorite streaming content.

Xumo Play is a FAST service with hundreds of ad-supported linear channels and on demand options that anchors the free content offering on Xumo devices and is also available as an app on other major streaming platforms. Xumo Enterprise is the business-to-business arm of the joint venture, providing content makers, distributors and advertisers with tools and services to make free ad-supported streaming TV (FAST) more accessible.

<https://www.xumo.com/>

Xumo & FASTMaster Study Methodologies

Xumo partnered with FAST thought leader Gavin Bridge's FASTMaster brand and conducted two research studies with leading insights firm CRG Global. The first of the two studies, FAST Consumer Landscape, was fielded online in August 2023 to 4,000 US adults aged 18 or older, with qualitative interviews held among users and non-users of FAST.

The second study, Ad Buyers FAST Perceptions, was fielded online in September 2023 to 75 FAST advertisers and 75 non-FAST advertisers, with qualitative interviews held with FAST advertisers.

<https://fastmaster.substack.com/>