

# COVID-19 THE TV CONSUMER ONE YEAR LATER

## WHERE WE WERE + WHERE WE'RE GOING

March 11, 2021 marked one year since life as we knew it was forever changed. In the months since, COVID-19 has shifted consumer viewing habits and made a profound impact across every industry.

Certain trends have settled into a state of "new normal" and some may have been more illusory. Let's take a look at how industries are recovering from this unprecedented disruption.



## NEW NORMAL #1: STREAMING TV + FRAGMENTATION

Unusually high levels of TV Usage in Spring 2020 have mostly receded back to expected levels.

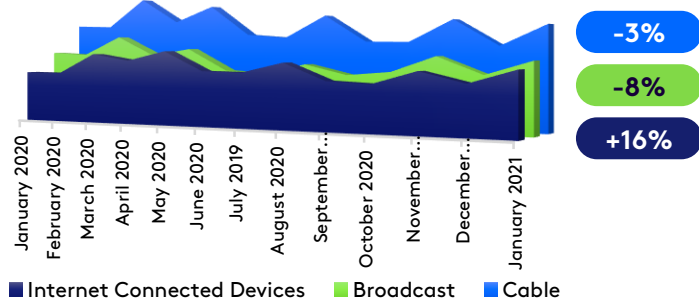
While traditional HUT metric is down from pre-crisis levels (-7.6% Feb-Feb)...

...Total TV usage remains stable as consumers shift to other environments.

February 2020 TUT: 45.4M

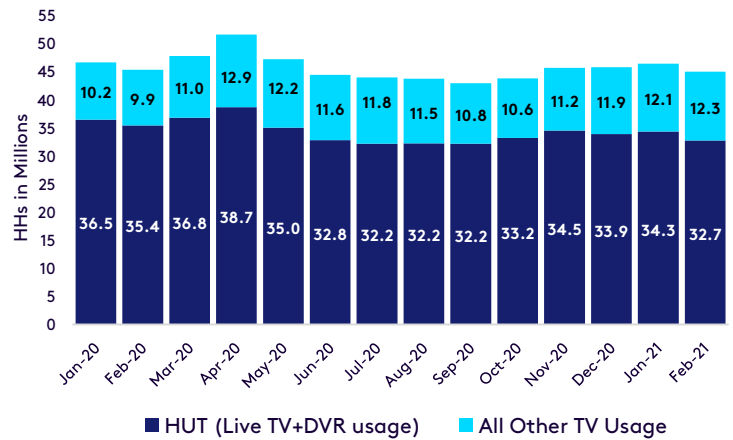
February 2021 TUT: 45.0M

Time spent viewing on connected device up 16% from pre-crisis levels



Source: Nielsen Length of Viewing Report Jan2020-Jan2021 - HH Total Viewing Minutes; Viewing Sources: Cable, Broadcast, Internet Connected Devices

Total Use of TV - National Footprint  
January 2020 - February 2021



Source: Nielsen NPower; Total Day M-Su 6a-6a

## POST-COVID GROWTH IN CONSUMPTION WITH INTERNET CONNECTED VIEWING

Early days of the pandemic spurred a rapid rise in adoption of TV viewing on internet connected devices.

Time spent viewing content from an internet connected device continues to rise even as the pandemic begins to recede.

## SUMMARY

- Continued consumer viewing fragmentation across platforms requires an audience-first strategy for TV
- As viewership fragments across screens, audience-first brings them back together

# COVID-19 THE TV CONSUMER ONE YEAR LATER

## NEW NORMAL #2: LIVE CONTENT DOMINATES

### NETWORK PEAKS

Entertainment Cable Networks peaked in March/April, but with the shut downs the production of new shows came to a halt and has been slow to restart, causing a supply issue of new content.

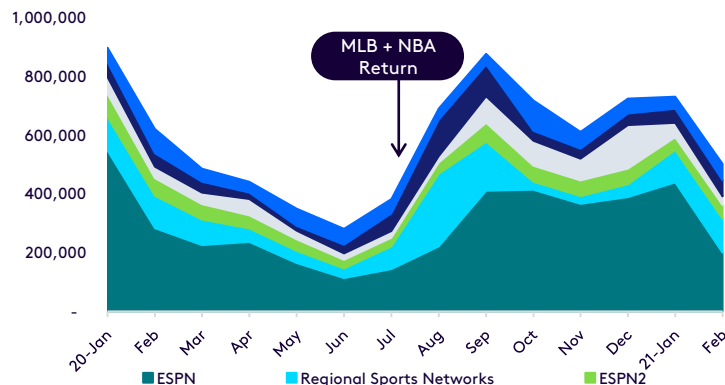
- **Cable News** had spikes in Apr, Nov, and Jan in line with major news events
- **Sports Networks** started recovering in August when leagues returned to the field/court
- **Broadcast + Cable** have not fully returned to viewing impression levels pre-COVID

## A POLARIZED CRISIS - SHIFT IN CONSUMPTION OF CABLE NEWS NETWORKS

### Contributing factors to increases in News viewing:

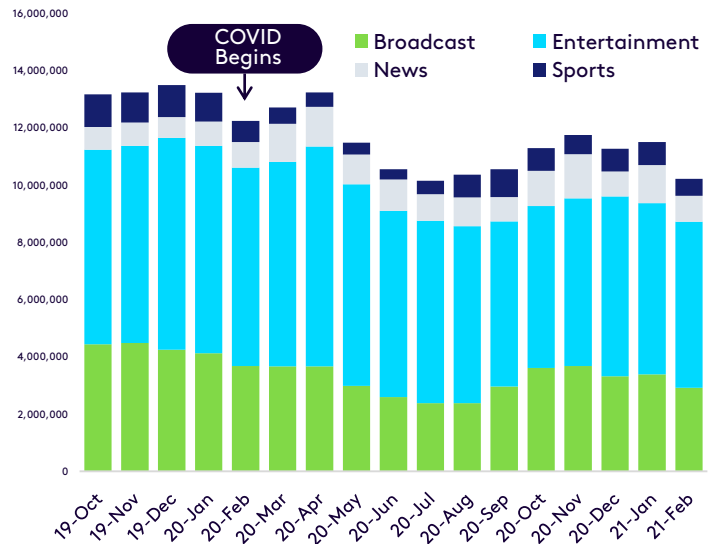
- Overall viewing peaked in Mar + April, again in Oct + Nov + Jan
- Immediately after the election **CNN** surpassed **FXNC** in viewership
- **Newsmax** Nielsen ratings went live in July and have already passed **HLN** and **CNBC** since Election Day

## WHEN SPORTS RETURNED, VIEWERS DID TOO

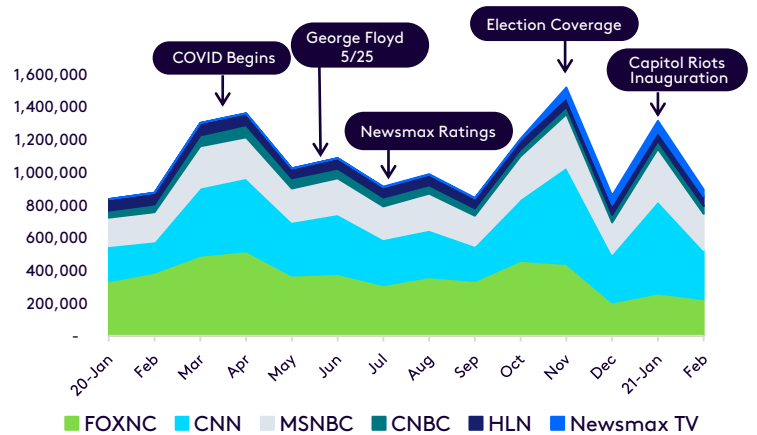


Source: Nielsen NPower; L+SD M-Su 6A-1A A25-54 Average Impressions

### Genre by Network View



Source: Nielsen NPower; L+SD M-Su 6A-1A A25-54 Average Impressions



Source: Nielsen NPower; L+SD M-Su 6A-1A A25-54 Average Impressions

## Shift in consumption to Cable Sports Networks

- At the beginning of COVID all live sporting events were canceled
- **Olympics** were rescheduled to 2021
- **NASCAR** returned May 17
- In June **PGA** and some soccer restarted to no spectators
- July: **MLB, MLS, NBA and WNBA** returned
- August: **Tour de France, US Open, NHL** returned
- September: **French Open, College Football and NFL** returned

# COVID-19 THE TV CONSUMER ONE YEAR LATER

## NEW NORMAL #3: THE RISE OF DAYTIME

There continues to be a consumer thirst for live content, especially as news events unfold and sports leagues return to normalcy. Live events are a scarce asset, even amidst overall marketplace and behavioral pressures.

## DAYTIME IS THE NEW PRIMETIME

Quarantine and industry shifts to work-from-home have grown viewership levels in daylight hours.

More time was spent with media beyond outside the Prime window:

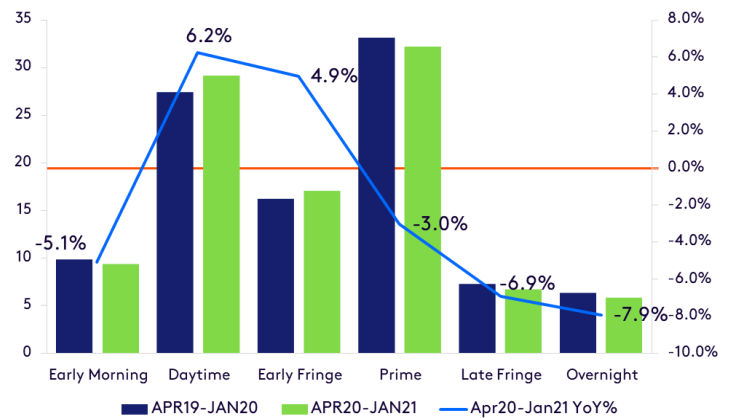
- 6.2% increase during Daytime daypart
- 4.9% increase during Early Fringe daypart

## DAYTIME ISN'T JUST FOR VIEWING

Ampersand + TVSquared measured the impact of linear TV on website visitation for an automotive dealership. Spots that ran in Daytime were a fraction of total spend, however they drove the most immediate website visits, an incredibly efficient investment + tactic for mid/lower funnel conversion.

Automotive Dealership Share Comparison	Linear	
	Share of Total Cost	Share of Total Immediate Visitors
Daypart		
Daytime	9%	29%
Primetime	31%	23%
Early Fringe	30%	20%
Overnight	6%	2%
Early Morning	8%	10%
Weekend	16%	16%

## Share of Viewing Minutes by Daypart



Source: Nielsen Length of Tuning Report April 2019-January 2021; HH Total Viewing Minutes; Viewing Sources: Broadcast and Cable

tvSquared

Linear spots in Daytime accounted for 9% of total cost but delivered 29% of total immediate visitors, an efficient tactic for mid- + lower funnel conversion.

# COVID-19 THE TV CONSUMER ONE YEAR LATER

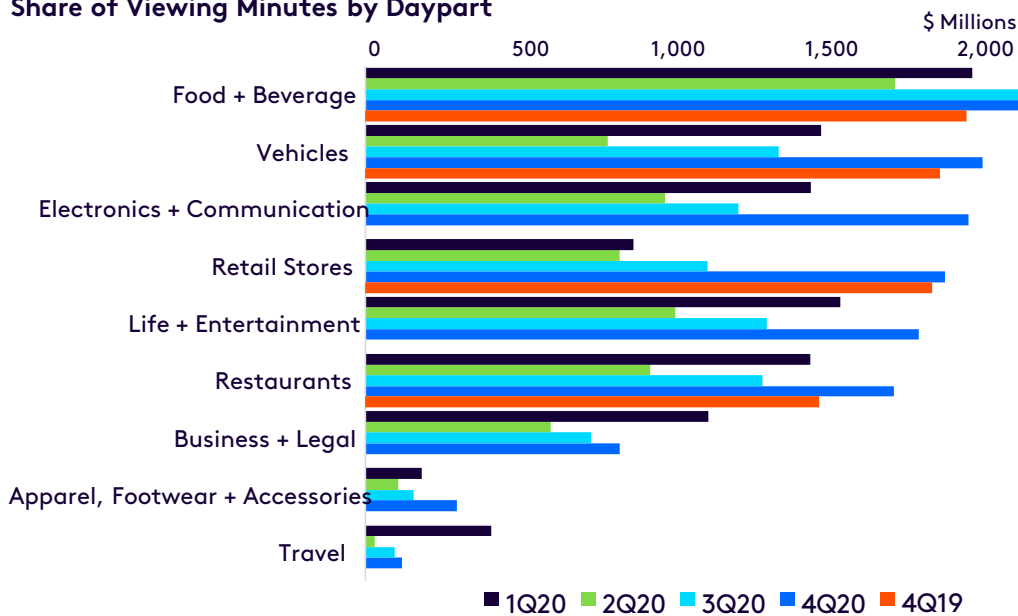
## LOOKING FORWARD: WHAT TO EXPECT IN 2021

National TV ad spending declined the first 12 months after the pandemic began vs. the 12 months immediately preceding. But for nine of the hardest hit industries, spend levels consistently grew QoQ after the onset of the pandemic.

Some industries have even exceeded pre-pandemic levels.



### Share of Viewing Minutes by Daypart



Source: iSpot.tv Parent Industry Estimated TV Ad Spend

## CATEGORY DEEP DIVE: FOOD + RESTAURANT\*

**Restaurants**  
National TV Spending  
-16% YoY

Q3 2020 – Up 39% from Q2  
Q4 2020 – Up 33% from Q3



People are craving the dining out experience. 45% of people dined out the week of 3/18, up 12 points from month prior



Delivery services ad spending was up 58% in 2020. Set to make up 21% of Restaurant Industry by 2025.



Delivery only restaurants estimated to be \$1 trillion business by 2030. Partner with online delivery services.



Provide convenient, healthy, home-cooked meal options. Blue Apron, a new TV advertiser in 2020, spent \$3.6 million.



Grocery Stores national TV ad spend up 42% in 2020. Online grocery projected to account for 21.5% of total sales by 2025.

FRAGMENTATION OF FOOD INDUSTRY

Source: iSpot.tv Parent Industry Estimated TV Ad Spend 4/1/2019-3/15/2021, IPSOS.com; Eater.com; Supermarketnews.com

\*If you are interested in a spending analysis for another category, contact your Ampersand representative.