

phd



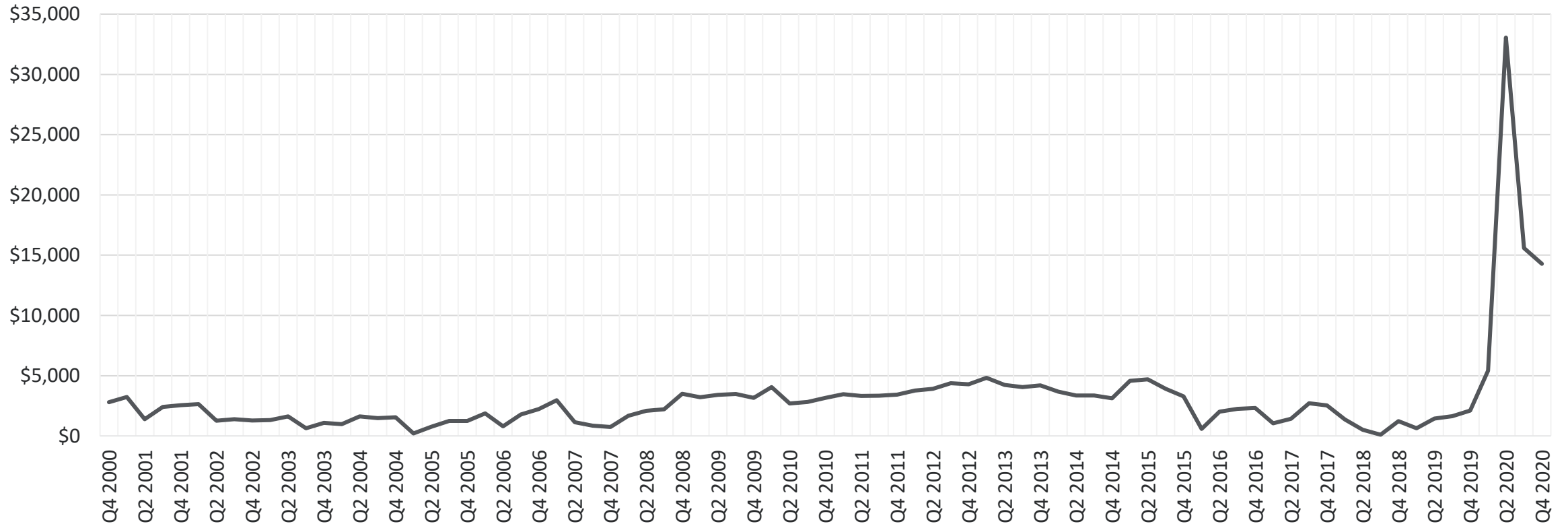
Getting Ready for a Rebound:

Preparing for a Potential Wave of
Increased Demand



The average household has ~\$10k more savings than usual

Annual Net Savings per Household



┌ Taking the pulse of Canadians



Online survey
conducted between 25th
and 29th of March 2021



Nationally
representative sample
of 1510 adults 18+ in
Canada

MARU/BLUE

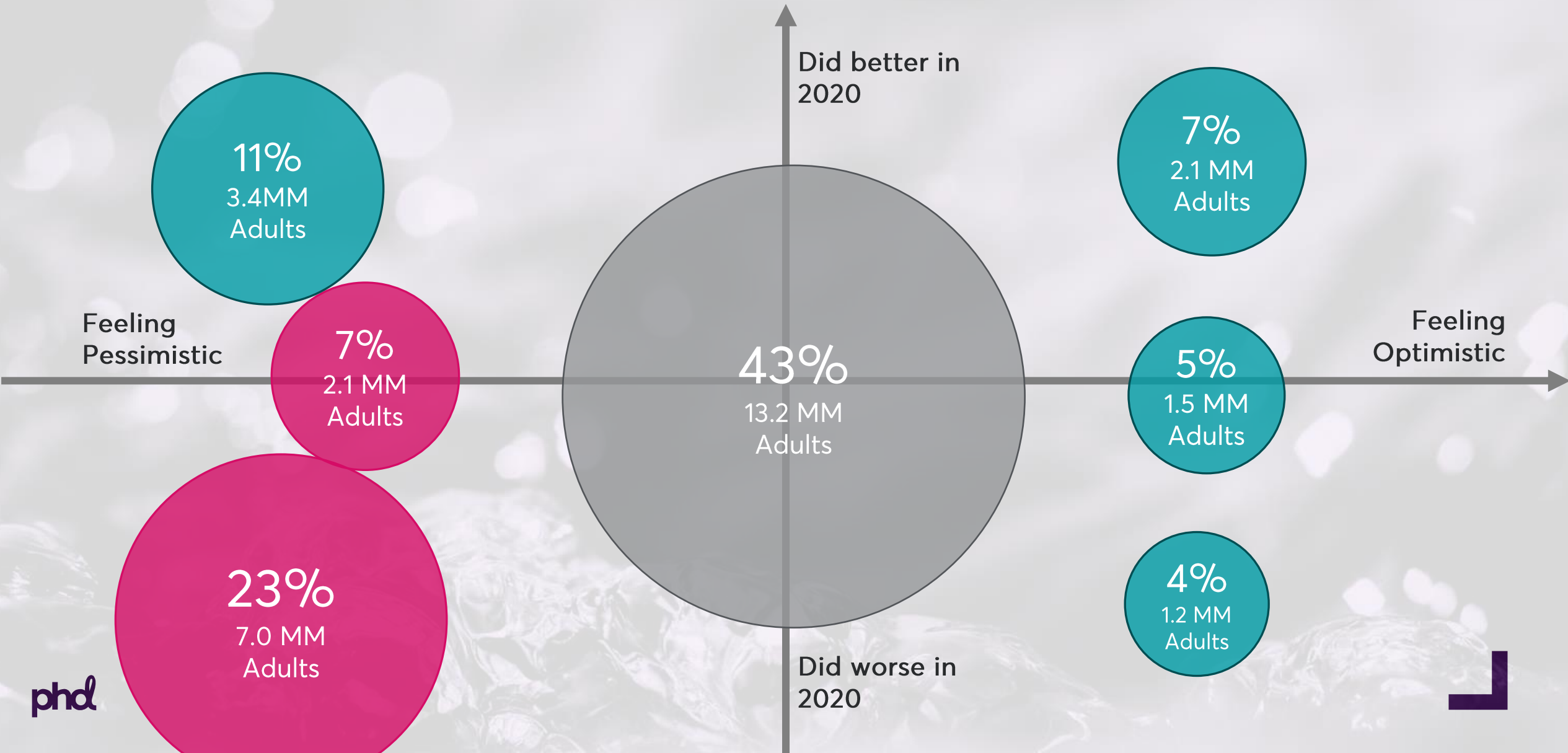
Conducted by
Maru/Blue- a world
leading CX, insights,
software and advisory
agency



We asked question
related to their past and
future finances, level of
optimism and their
spending habits



Financial situations & outlooks range significantly

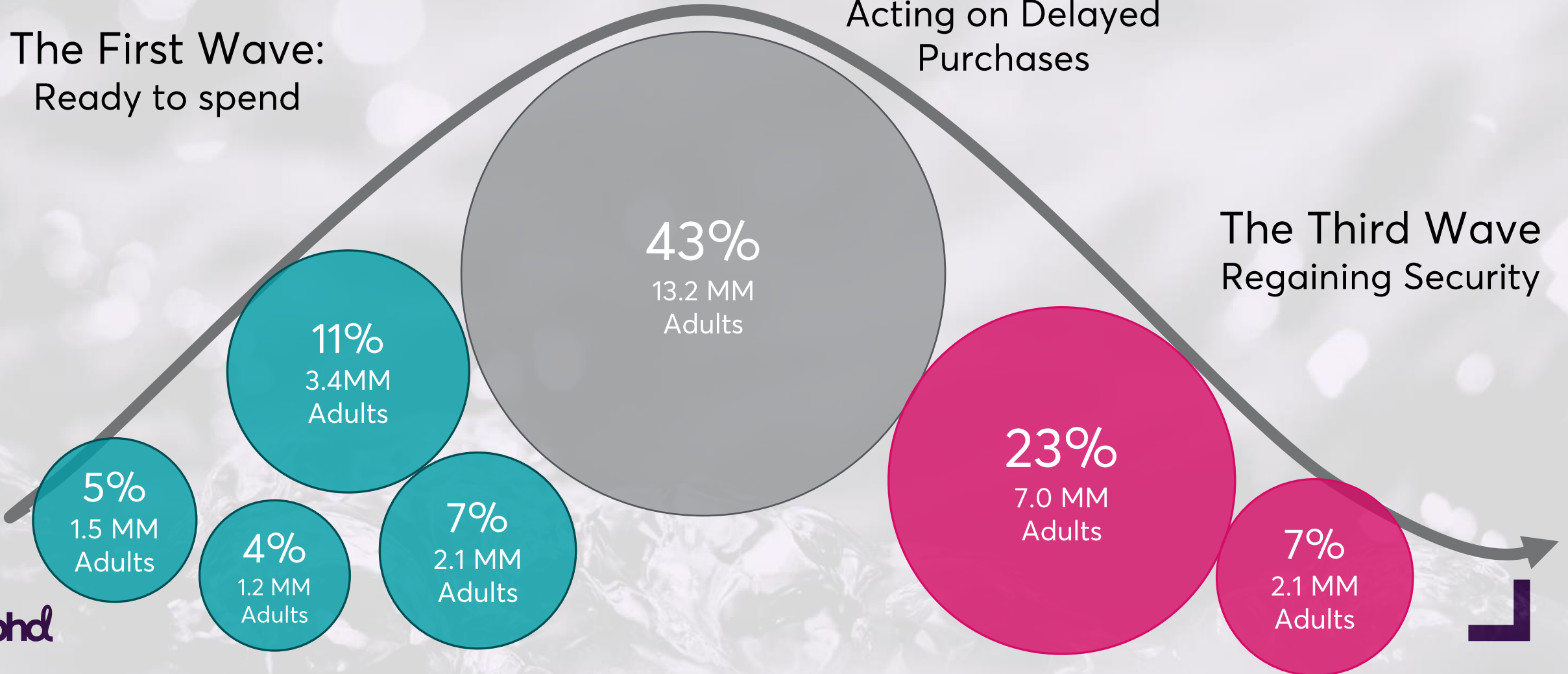


~70% of Canadians are likely to have increased demand

The First Wave:
Ready to spend

The Second Wave:
Acting on Delayed
Purchases

The Third Wave
Regaining Security



┌ Ripe for a Rebound



Reopening
Economy



Rebound in
Confidence

Three ways to prepare for accelerating demand



Adjust the
Channel Mix



Budget for
Digital
Availability



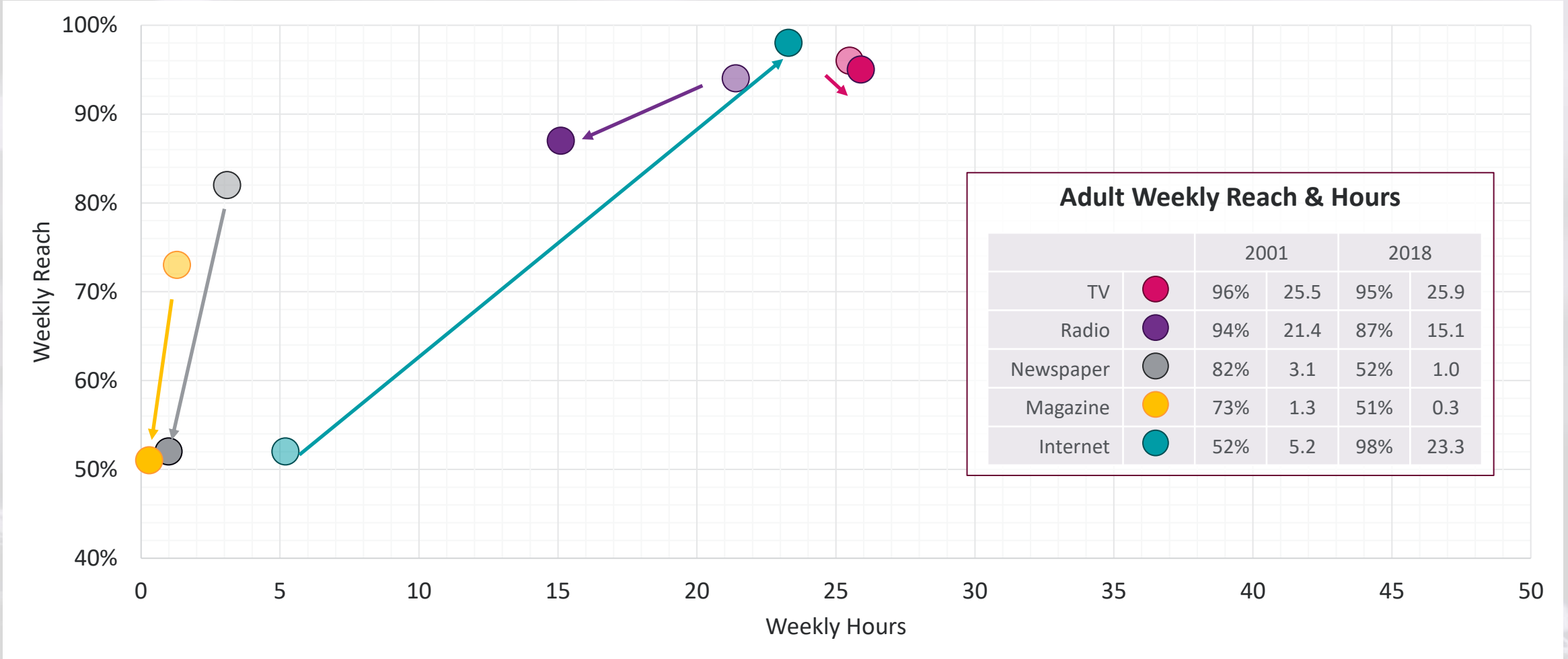
Invest in Story-
telling

Adjust the Channel Mix

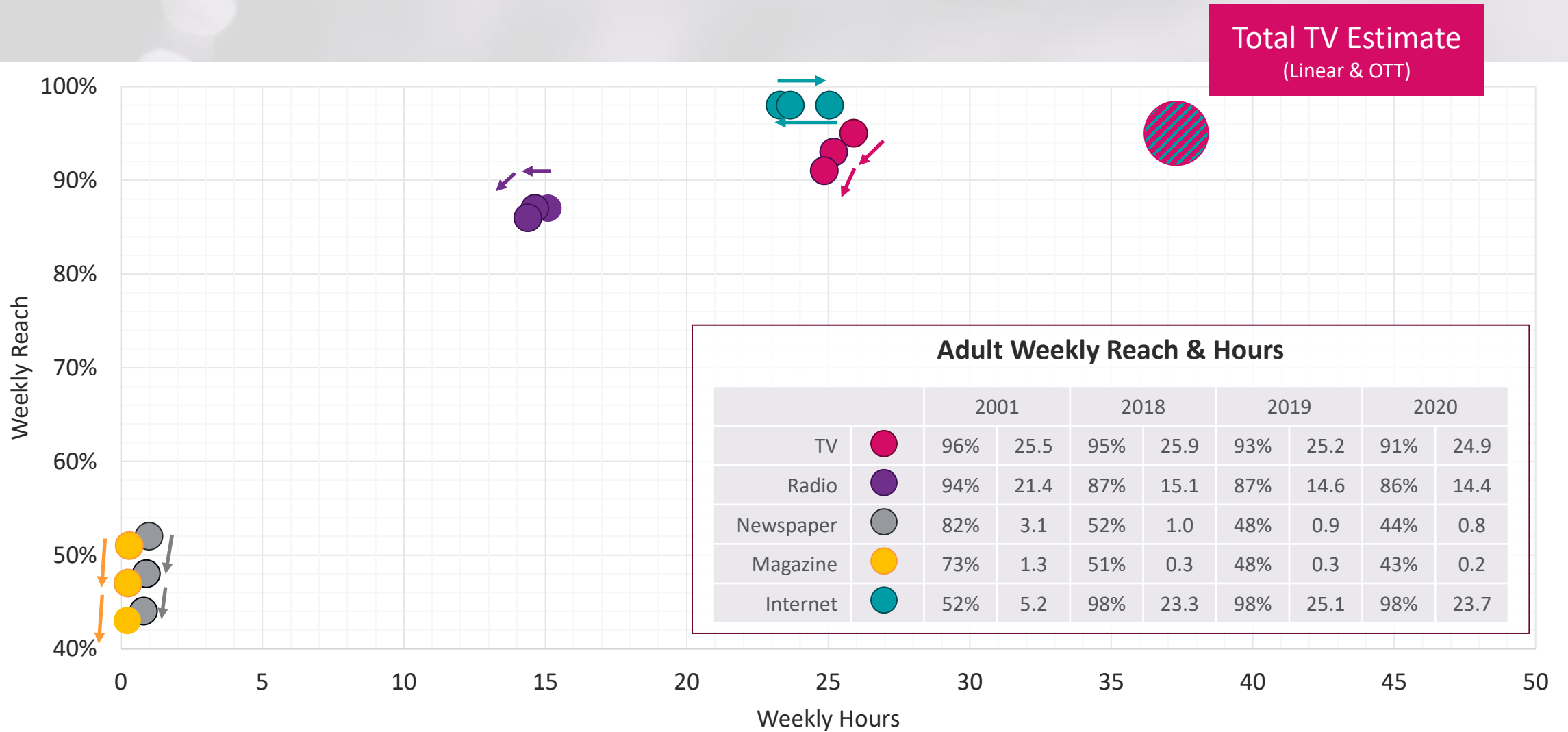


**Shifting media habits
are changing the optimal way to
build reach**

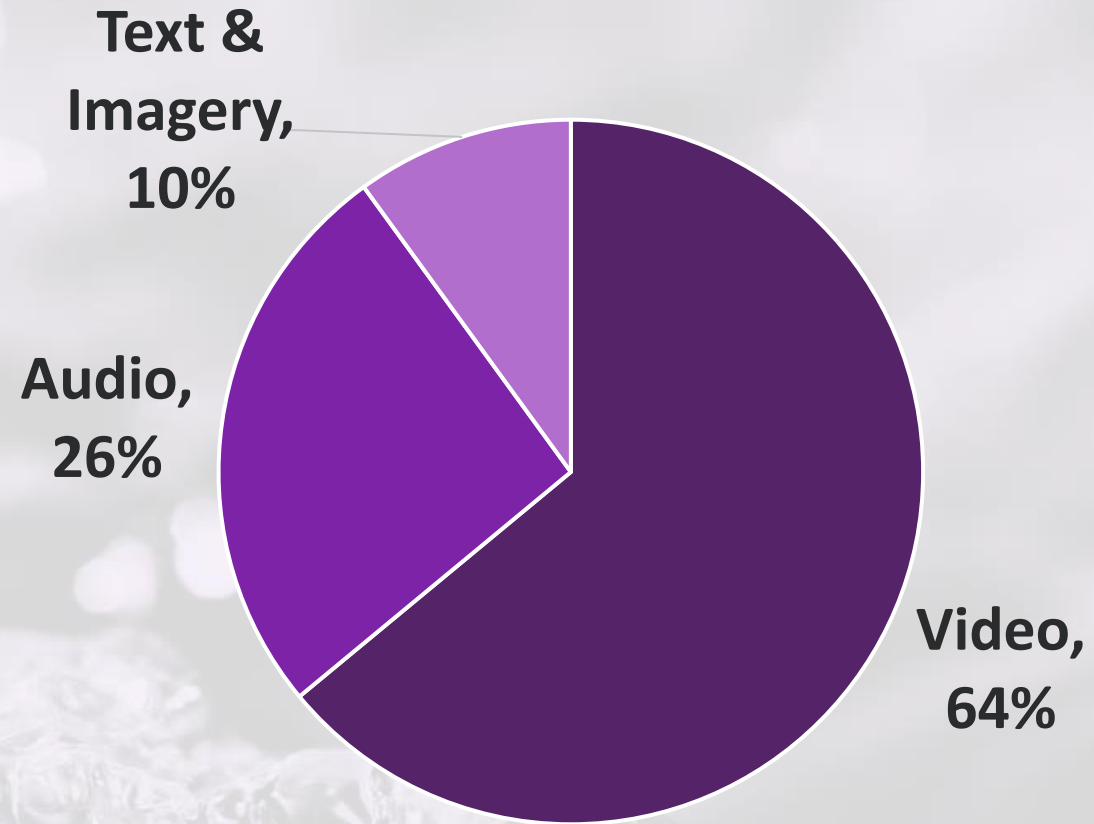
A two decade view of changing media consumption



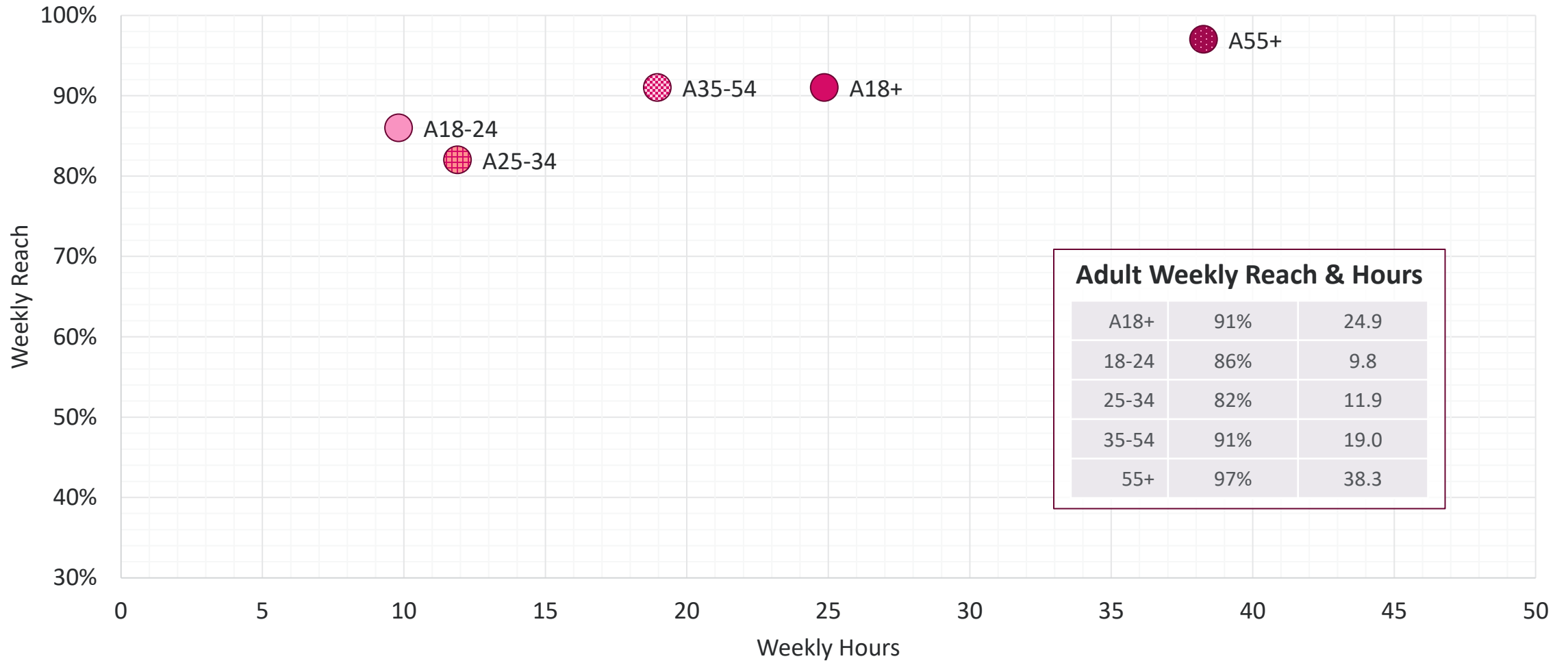
The last three years...



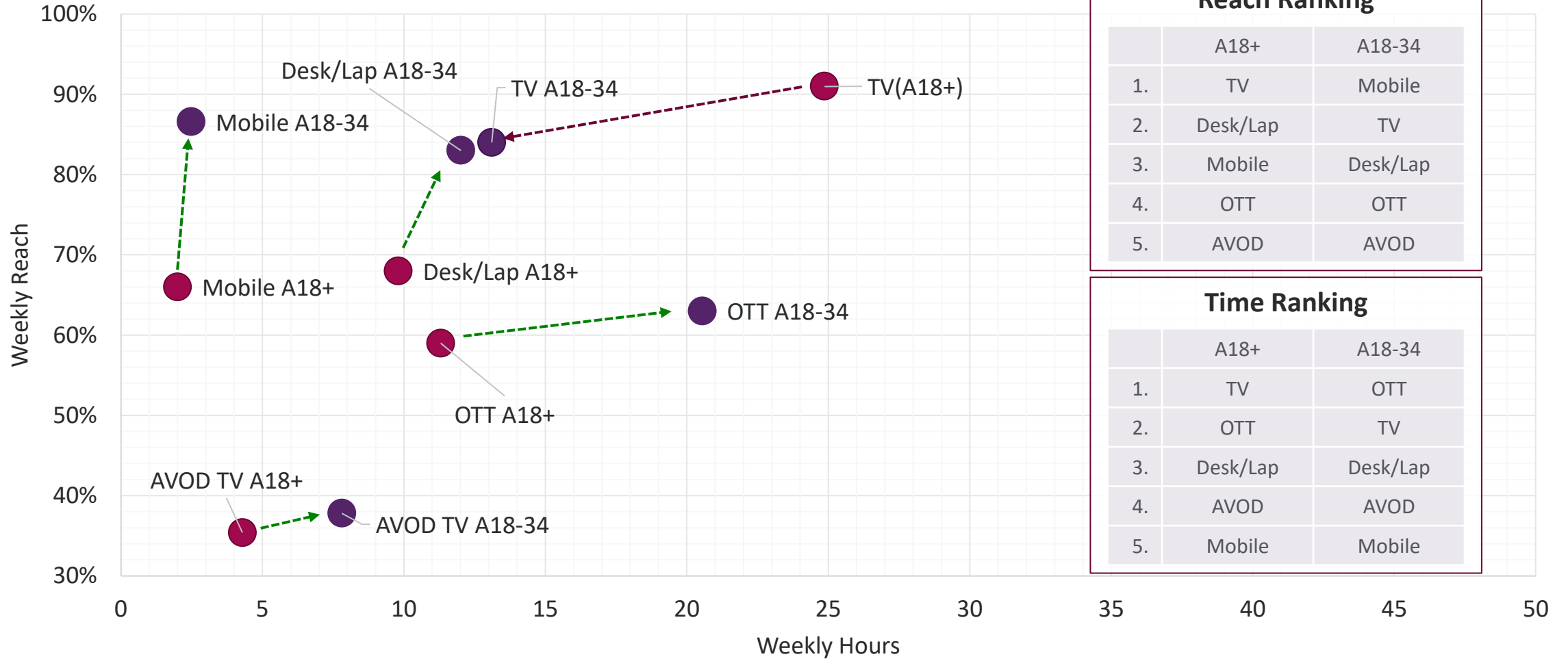
Share of attention (A18+)



Linear TV engagement varies widely by age



Age-based video preferences



Reach Ranking

	A18+	A18-34
1.	TV	Mobile
2.	Desk/Lap	TV
3.	Mobile	Desk/Lap
4.	OTT	OTT
5.	AVOD	AVOD

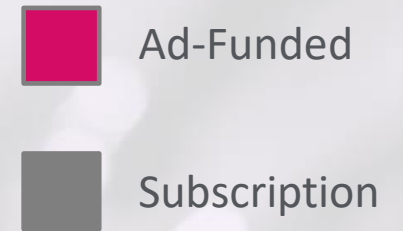
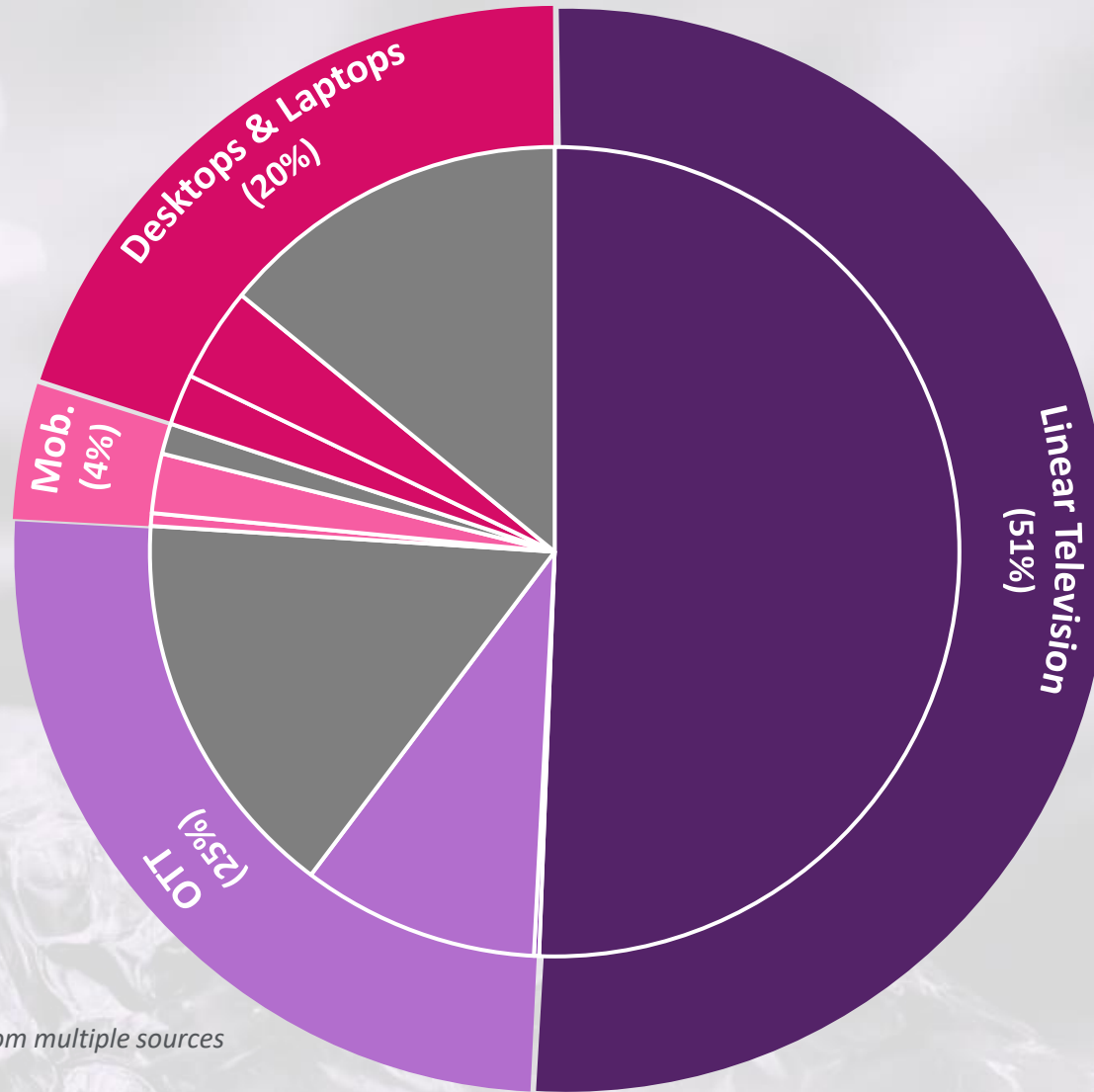
Time Ranking

	A18+	A18-34
1.	TV	OTT
2.	OTT	TV
3.	Desk/Lap	Desk/Lap
4.	AVOD	AVOD
5.	Mobile	Mobile

Share of Video Time (A18+)

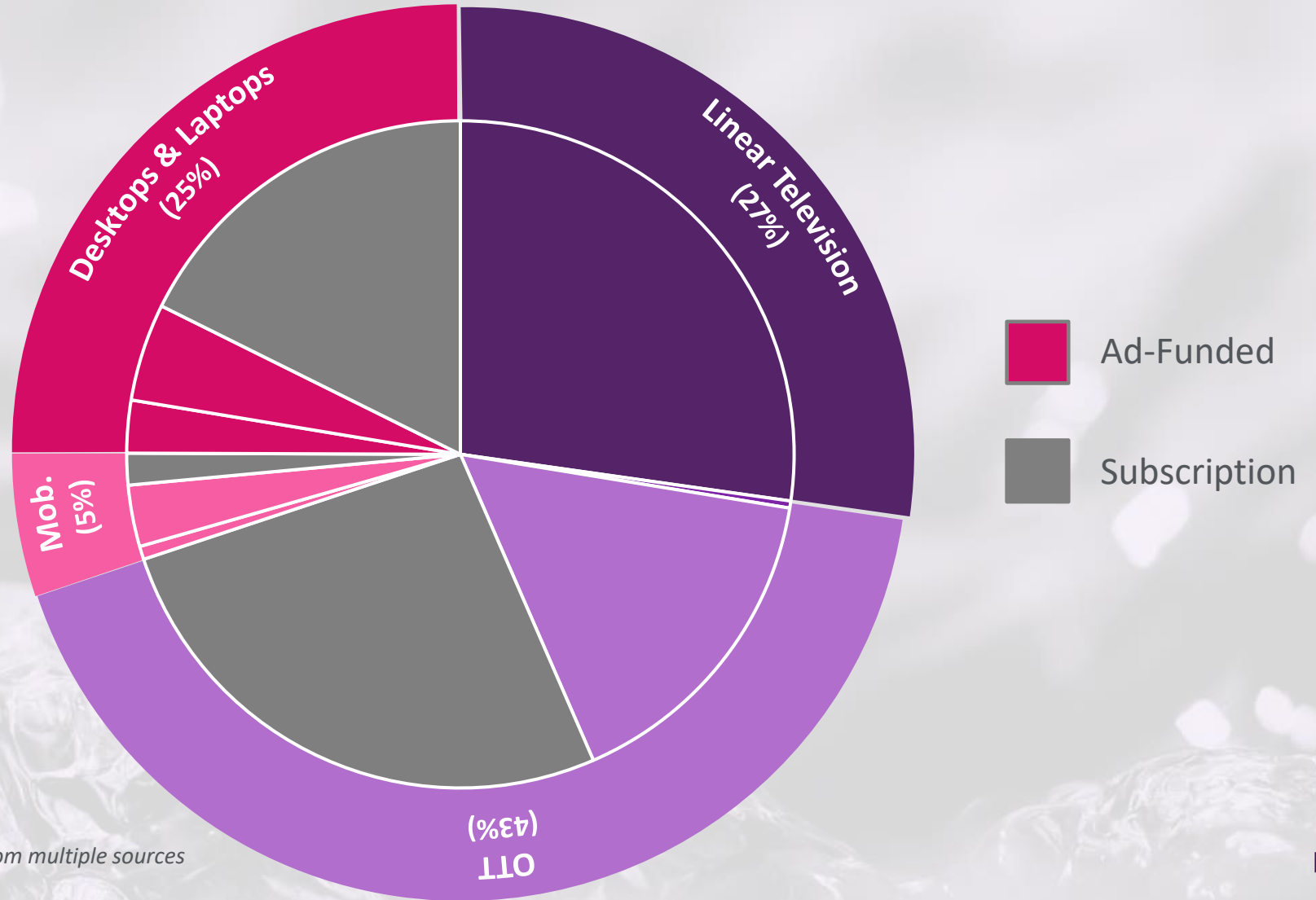
~70%

of video time
is in ad-supported
media

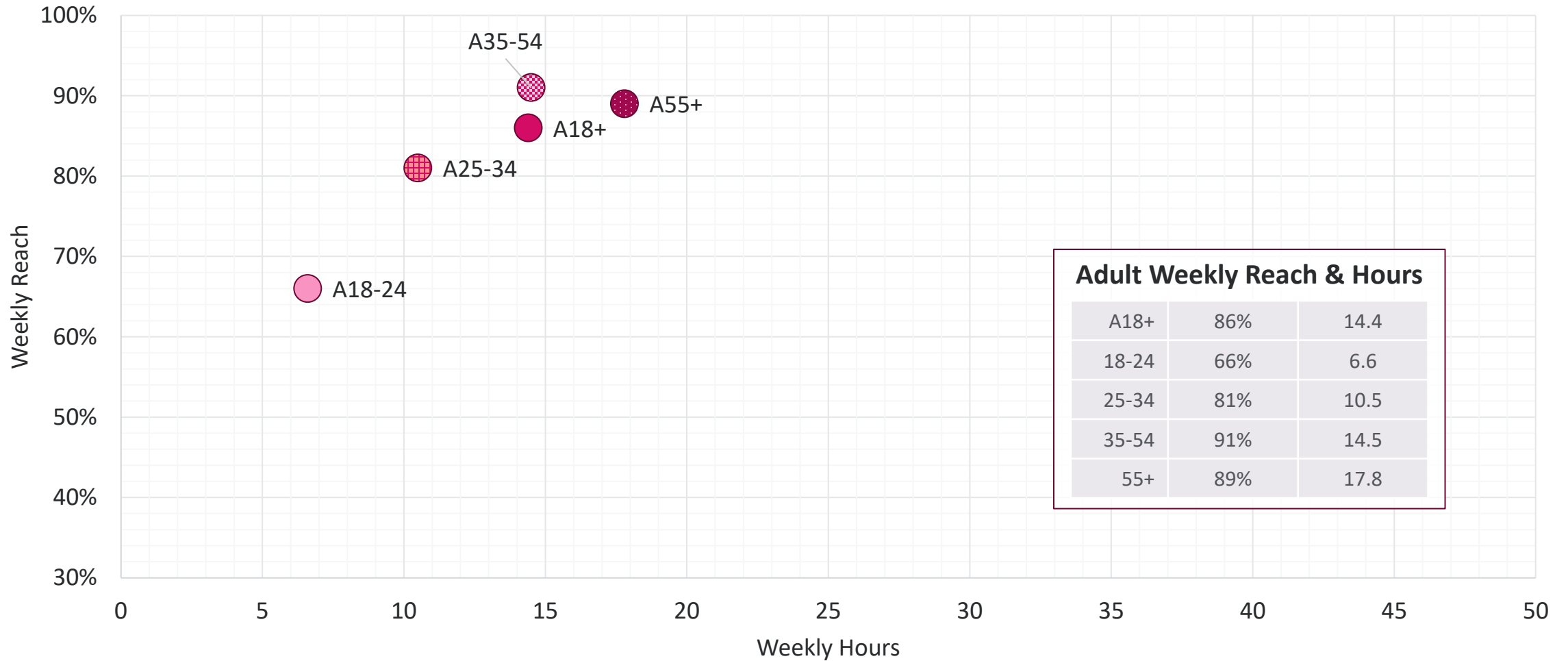


Share of Video Time (A18-34)

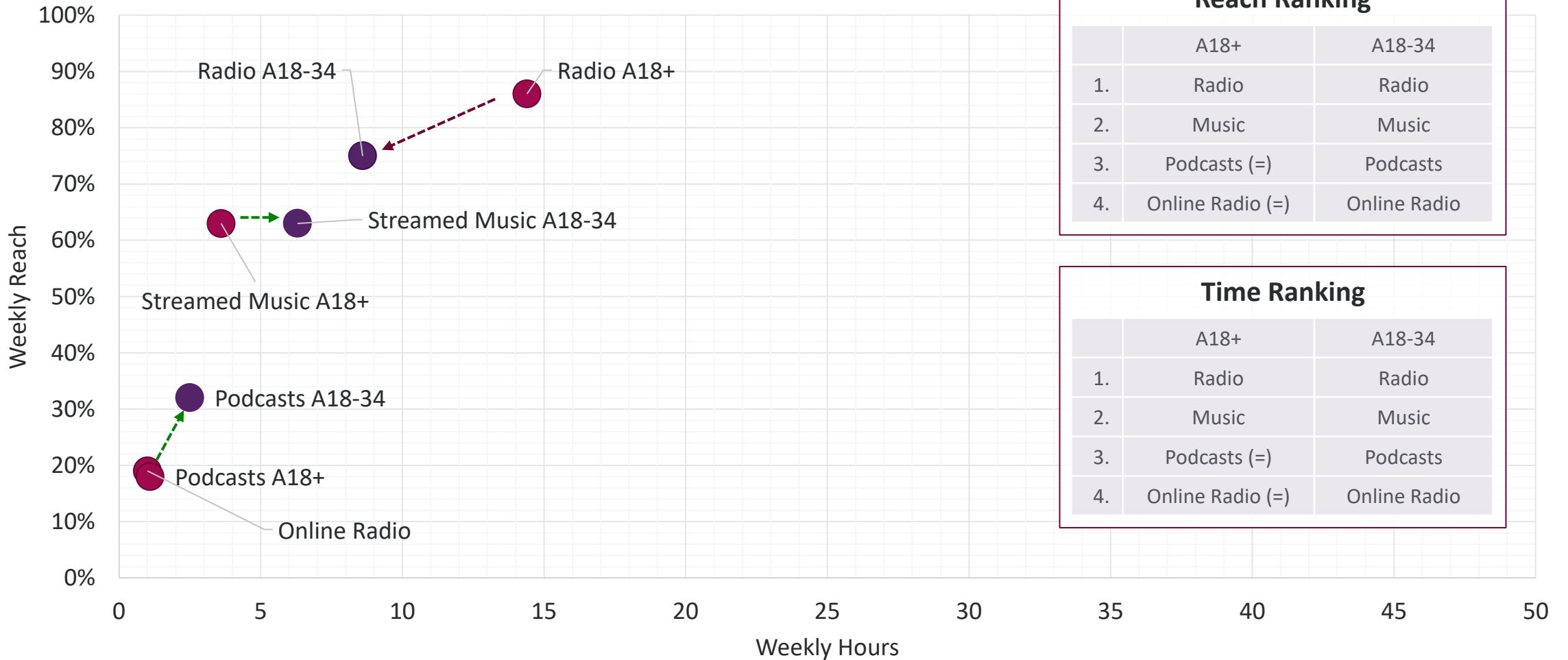
~55%
of video time
is in ad-supported
media



Radio engagement varies widely by age



Age-based audio preferences

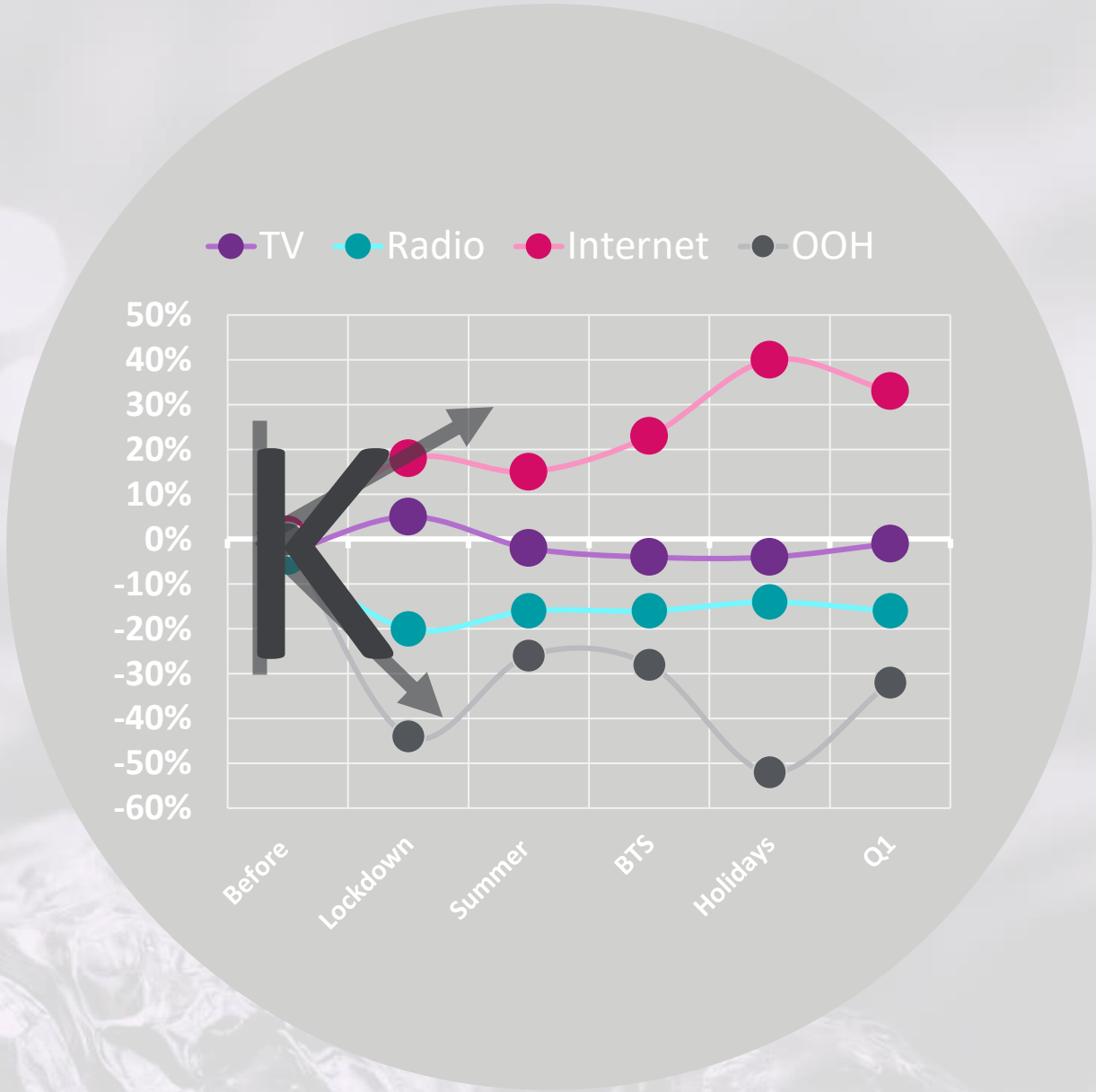


Reach Ranking

	A18+	A18-34
1.	Radio	Radio
2.	Music	Music
3.	Podcasts (=)	Podcasts
4.	Online Radio (=)	Online Radio






Time Ranking

	A18+	A18-34
1.	Radio	Radio
2.	Music	Music
3.	Podcasts (=)	Podcasts
4.	Online Radio (=)	Online Radio







The Covid effect on media habits



Upward Momentum

-  **General Internet**
+20% time
-  **TV35+**
+1% time, +1% reach
-  **OTT**
+11% subs (~2 years of growth)¹
+182% Transactional VOD²
-  **Digital Video**
+18% site visits
-  **Digital Audio**
+16% streaming (~2 yrs growth)¹
+7% Podcast penetration (~2 yrs growth)

Downward Momentum

-  **TV A18-34**
-17% time = 2.5 years of decline
-5% reach = 4 years of decline
-  **Overall TV**
-4% time = 1 year of decline
-  **Overall OOH**
-28% time
-  **Overall Radio**
-16% time

K

-  May be a short-term trend
-  Likely a long-term trend



3 Tips to Adjust the Channel Mix



1. Know your total target market
2. Invest in 'traditional' and digital
3. Maximize reach

┌ Budget for Digital Availability



**Increased eCommerce will lead to
increased digital advertising.
Budget carefully.**



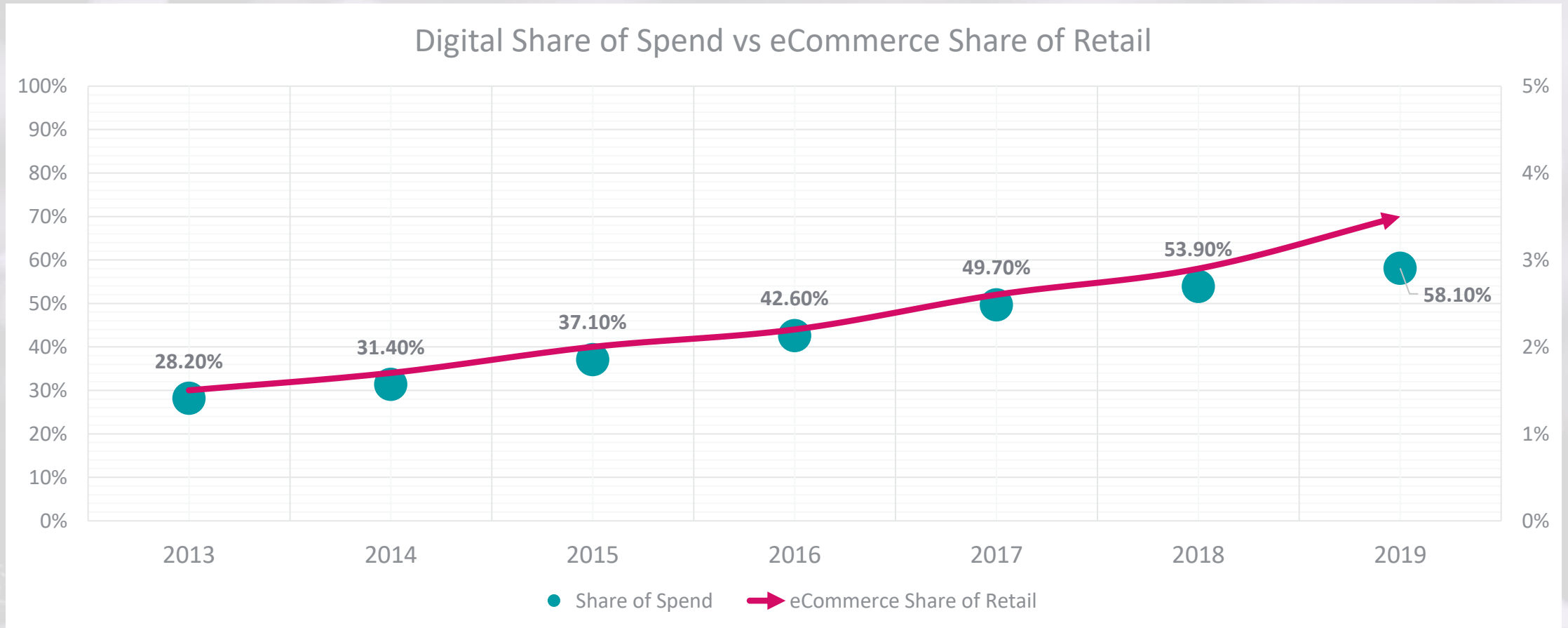
**Physical
Availability**

**Digital
Availability**

**Mental
Availability**

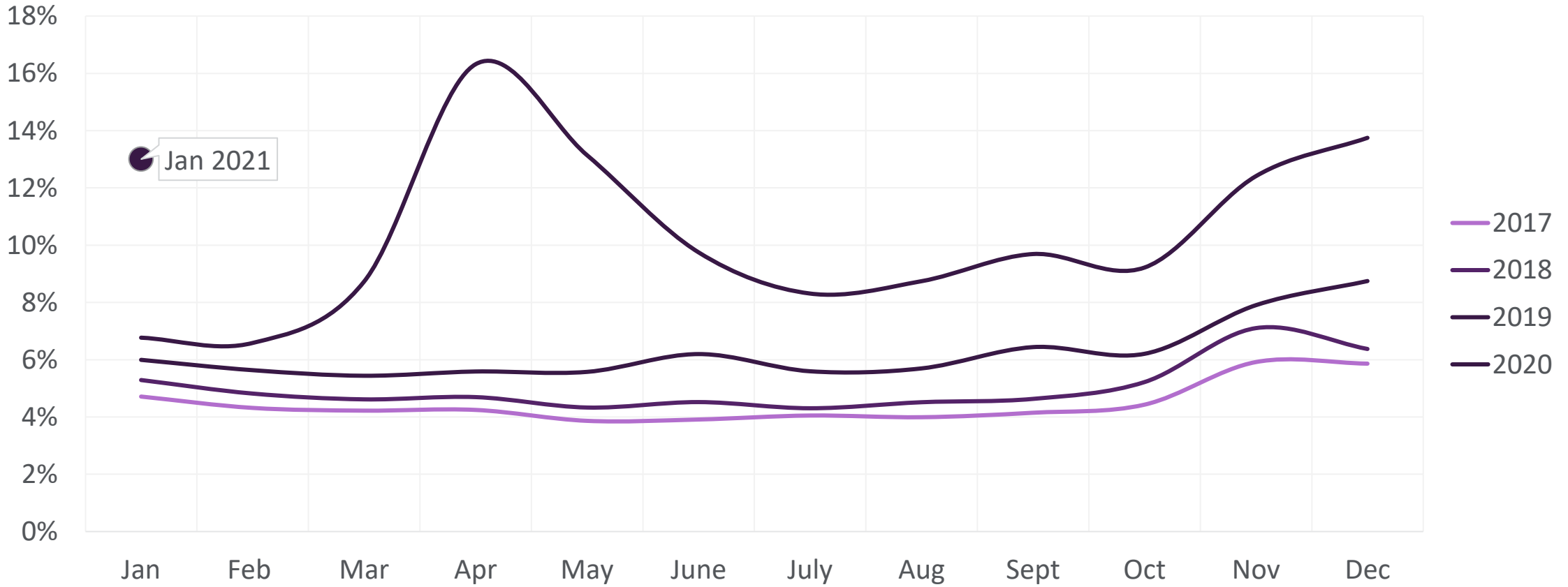


Growth of eCommerce and digital ads are closely linked

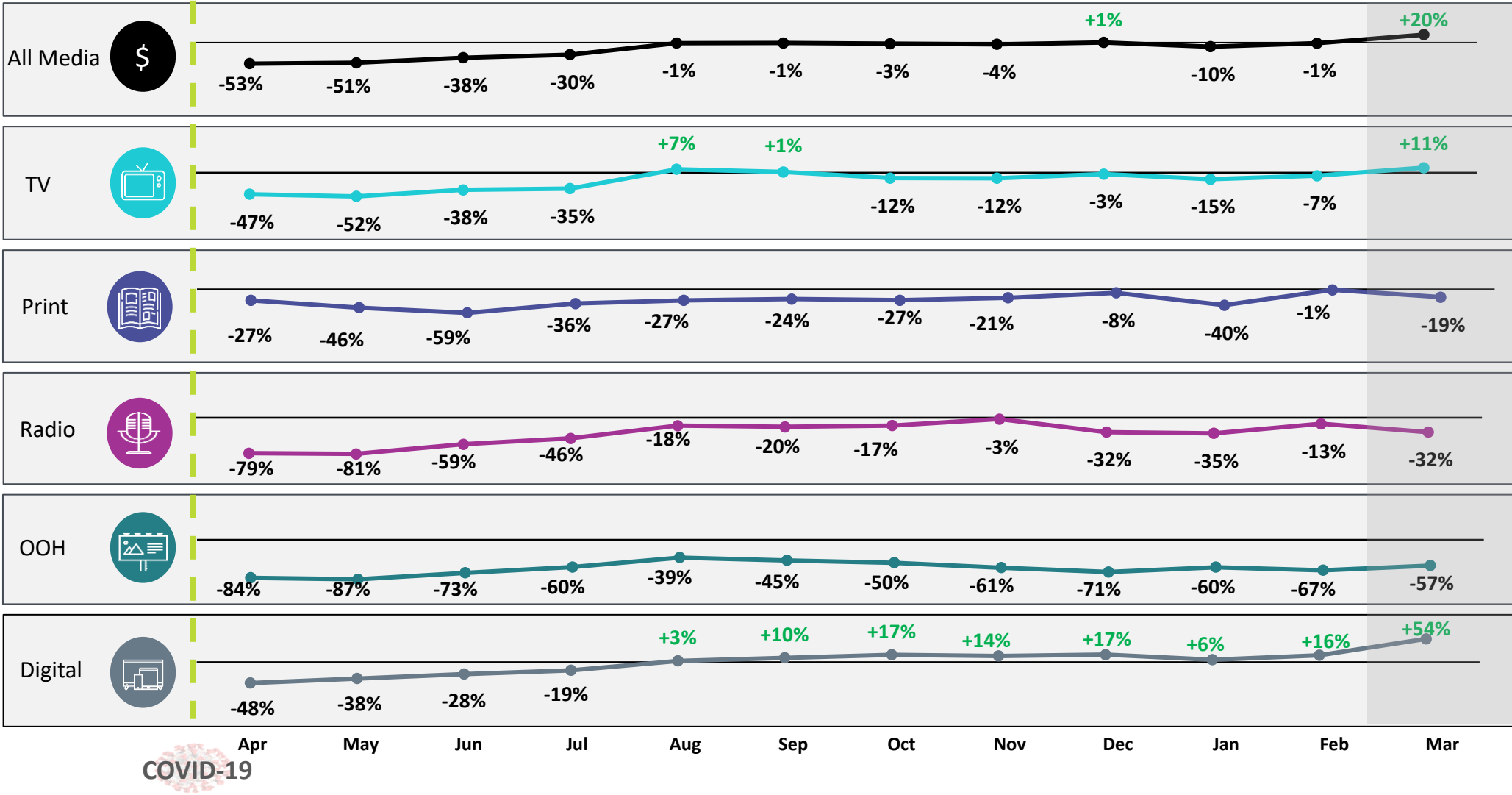


eCommerce has grown dramatically

eCommerce Share of Sales

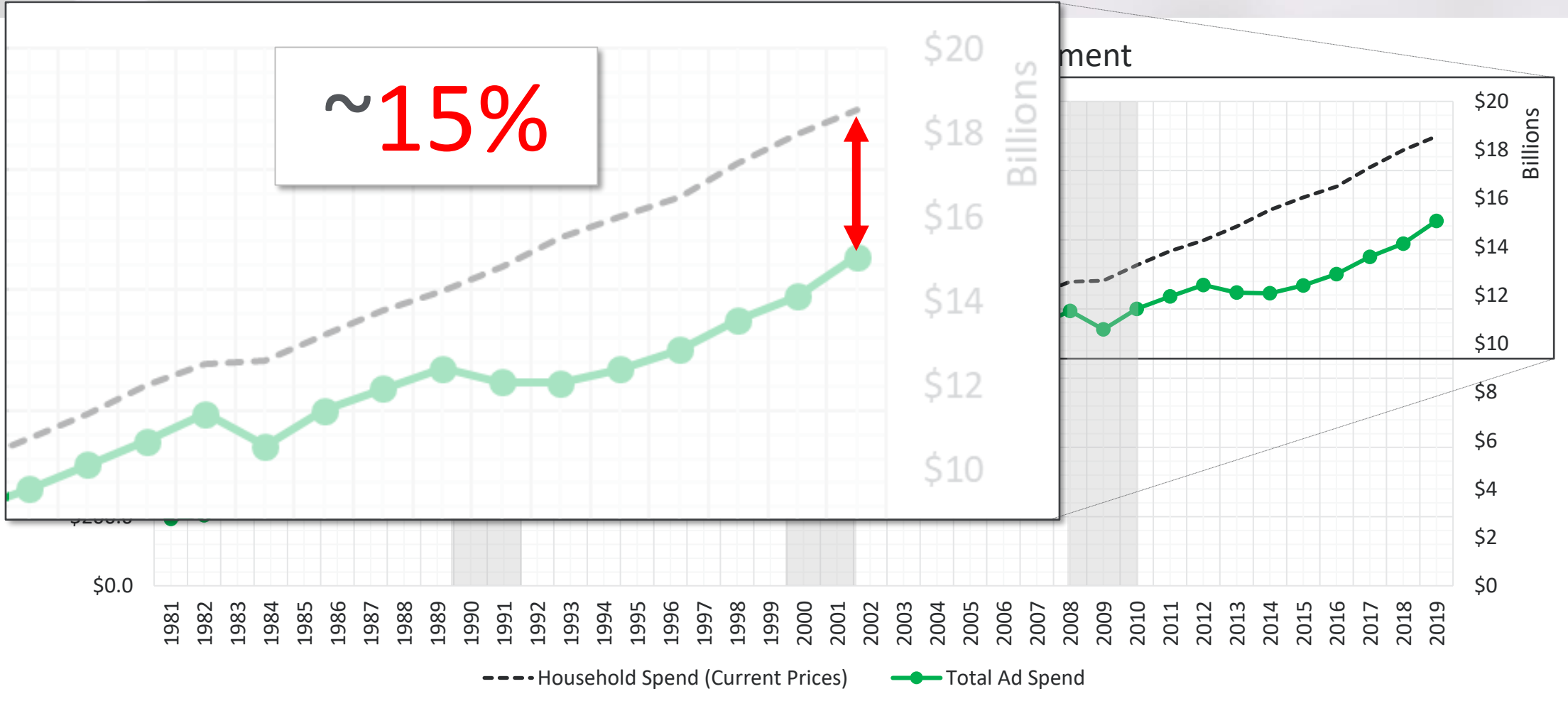


Canada National Advertising Spend Monthly Percent Change By Channel (ROLLING 12 MONTH YOY APRIL 2020 – MAR 2021)

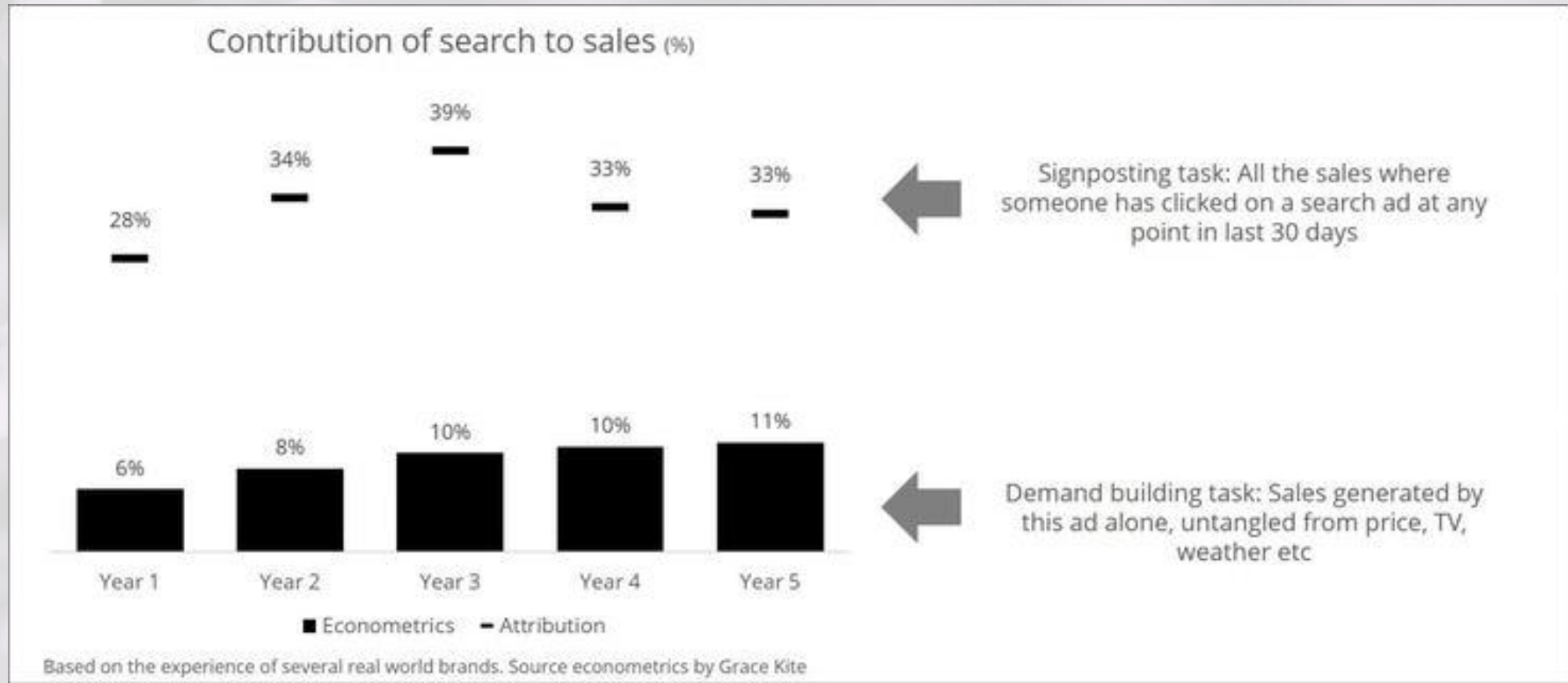


Source: SMI Pool | Canada | Media formats include TV, Magazines, Newspapers, OOH, Radio, and Digital

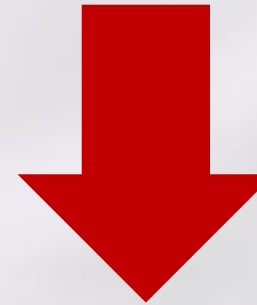
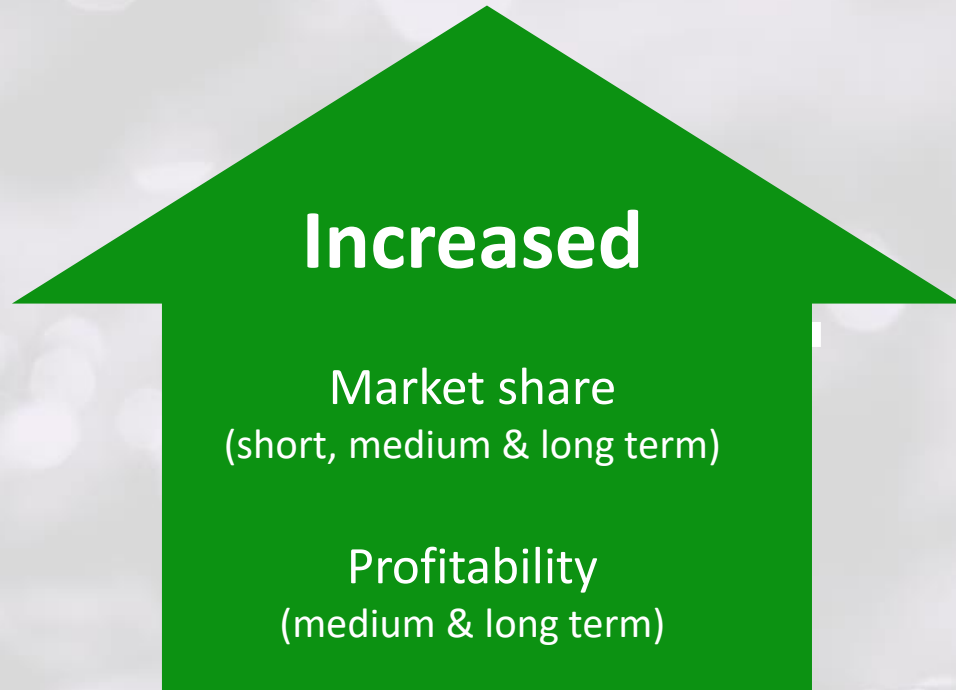
Advertising has been asked to do more with less



Grace Kite: digital attribution doesn't tell the whole story

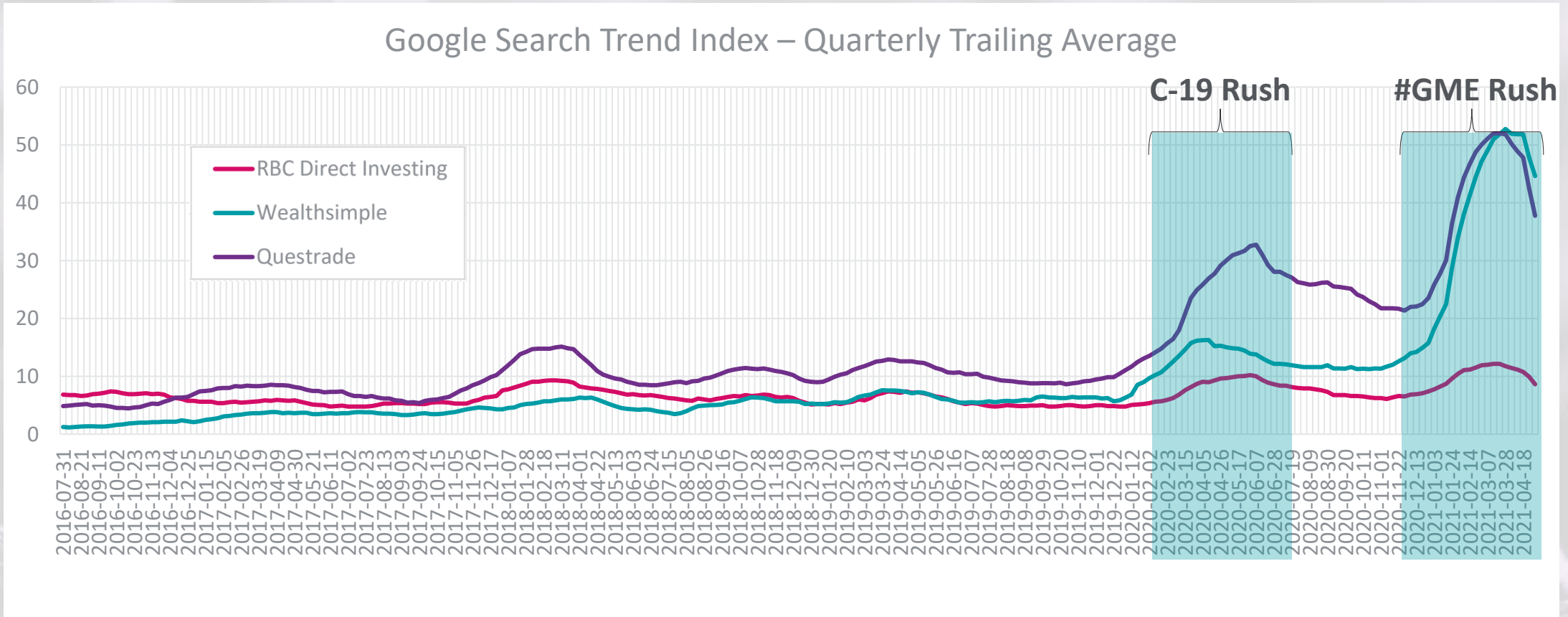


Investing in a downturn drives growth



Decreased
Short term ROI

Mental Availability > Digital Availability



3 Tips to Budget for Digital Availability



1. **Shift \$ from Physical to Digital Availability**
2. **Assess Sign Posting vs Demand Building**
3. **Invest in eSOV or expect to lose share**

Invest in storytelling



Advertisers brave enough to invest in the right stories will reap the rewards.

┌ In some ways, things may be 'precedented'

Post-WWII

Post-C19



Economy coming back from being on-hold



Urgent efforts to address racial inequality



'Moonshot' technological challenge



Major changes in organizational behaviour

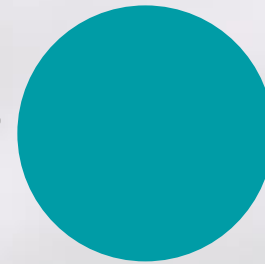
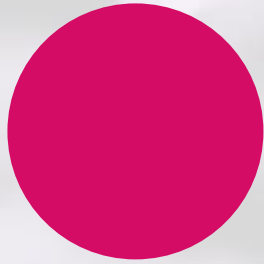


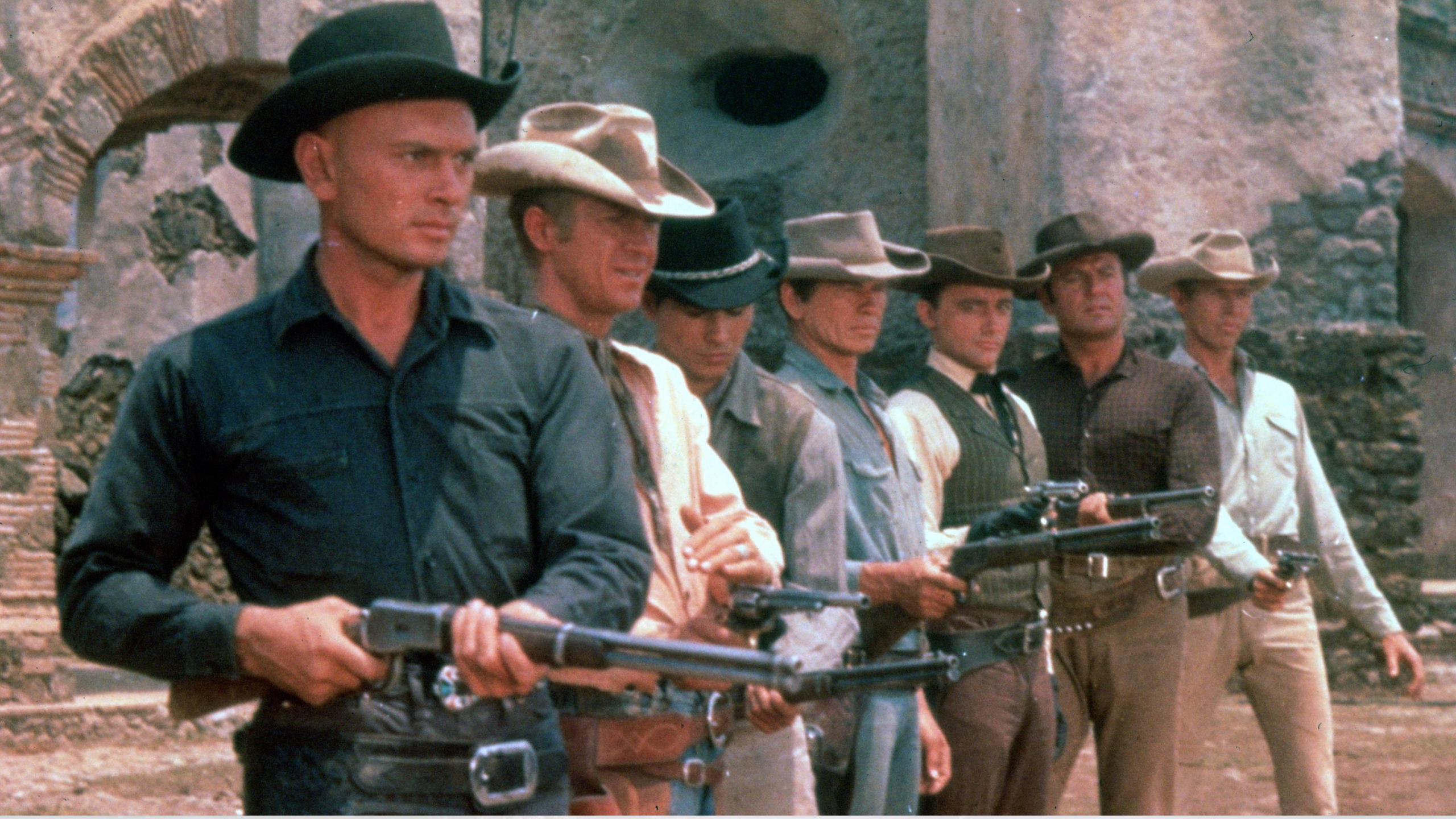




Classical Plot

Shane, 1953

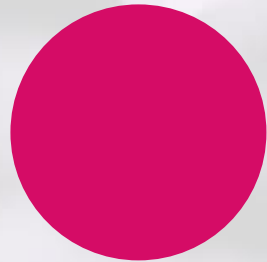






Classical Plot

Shane, 1953



Lone Hero, 'lowly' status

Protects the community

Morally good



Professional Plot

Magnificent Seven, 1960



Team of experts

Compete with the villains

Morally ambivalent





1.

We need popular content more than we realize

2.

Knowing what is popular matters

3.

Content that connects with culture is profitable



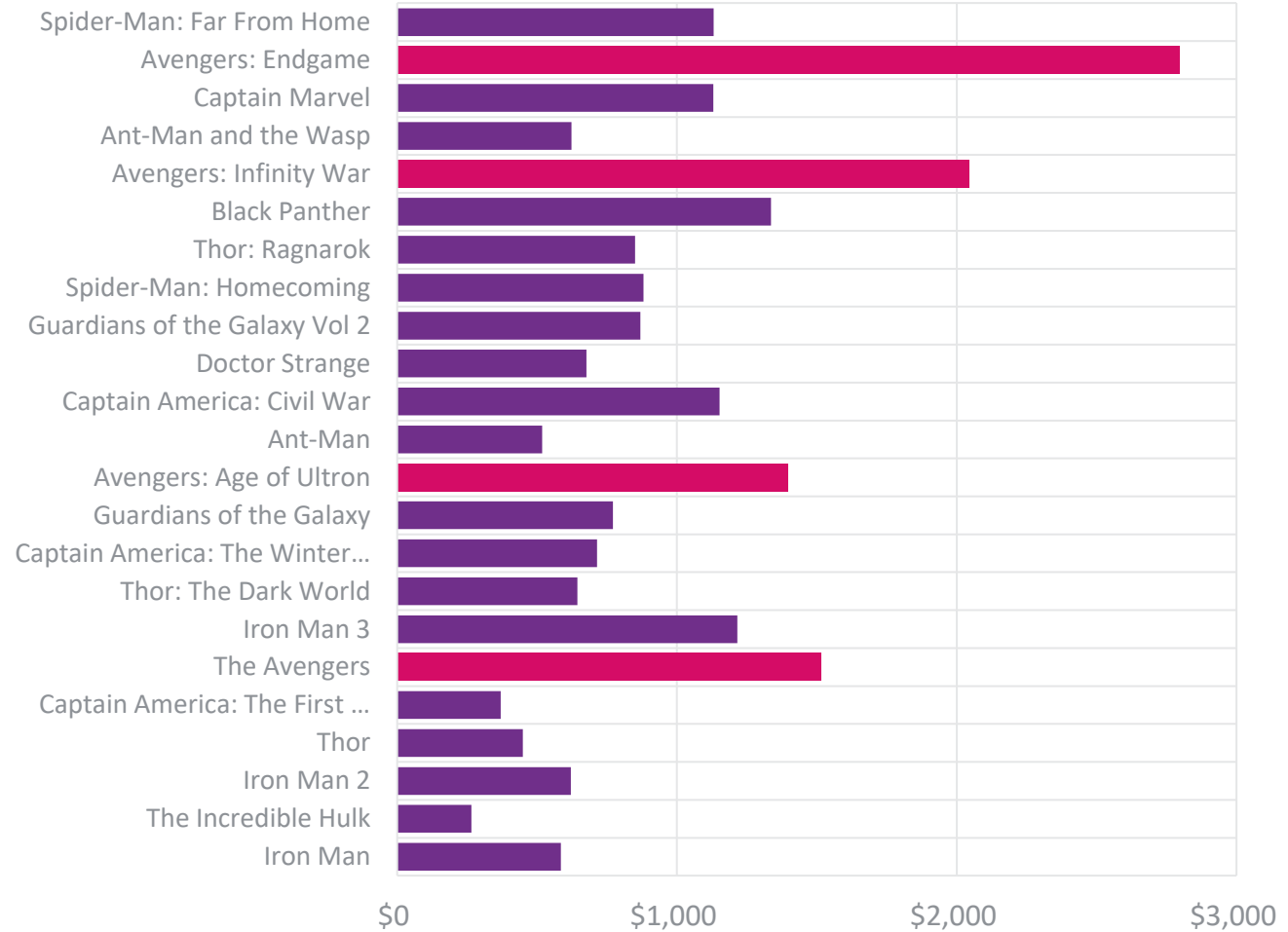
The most popular film pre-Pandemic





3x
Bigger Box
Office than the
MCU average

Marvel Global Box Office (millions)





Successfully
Cross-Platform



Stories are profitable in advertising too



3 Tips to Invest in Story-telling



1. **Aim to entertain**
2. **Use smart data to be brave**
3. **Create your own reach**

More Content...



Grace Kite:
The Two Tasks of Online Advertising

WARC Talks Digital Rent and Digital Availability



Orlando Wood:
EffWorks Global 2020: Achtung!
(Features of Successful Online Video Campaigns)



Gerard J. Tellis:
A Critical Review of Research on Advertising in a Recession

Three ways to prepare for accelerating demand

Adjust the Channel Mix



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Invest in 'traditional' and digital

Maximize reach

Budget for Digital Availability



Shift \$ from Physical to Digital Availability

Assess Sign Posting vs Demand Building

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Aim to entertain

Use data to be brave

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