

TV delivers through the purchasing funnel

A WESTERN CANADA PRESENTATION

what we do



thinktv

is a marketing and research association dedicated to the advancement of commercial television.

think^{tv}

how we help



research

Learn how the latest audience trends are impacting TV advertising.

[learn more »](#)



thinktv presents

Check out our collection of presentations from industry experts.

[learn more »](#)



events

Find out about all the industry events we're hosting or participating in.

[learn more »](#)



thinktv clearance

We clear commercials, infomercials, and public service announcements for agencies and advertisers.

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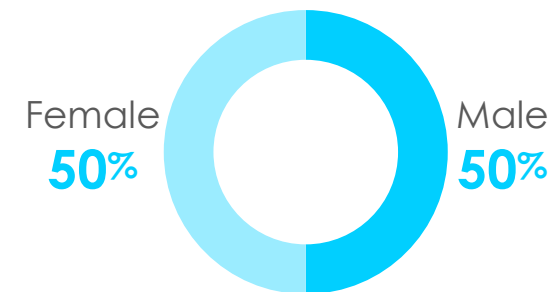
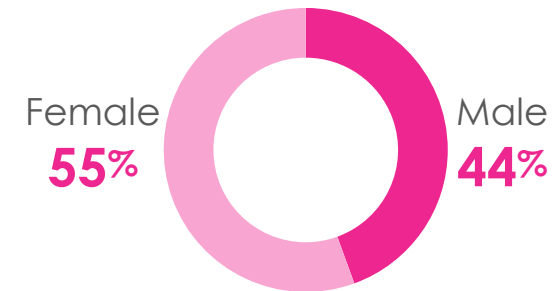
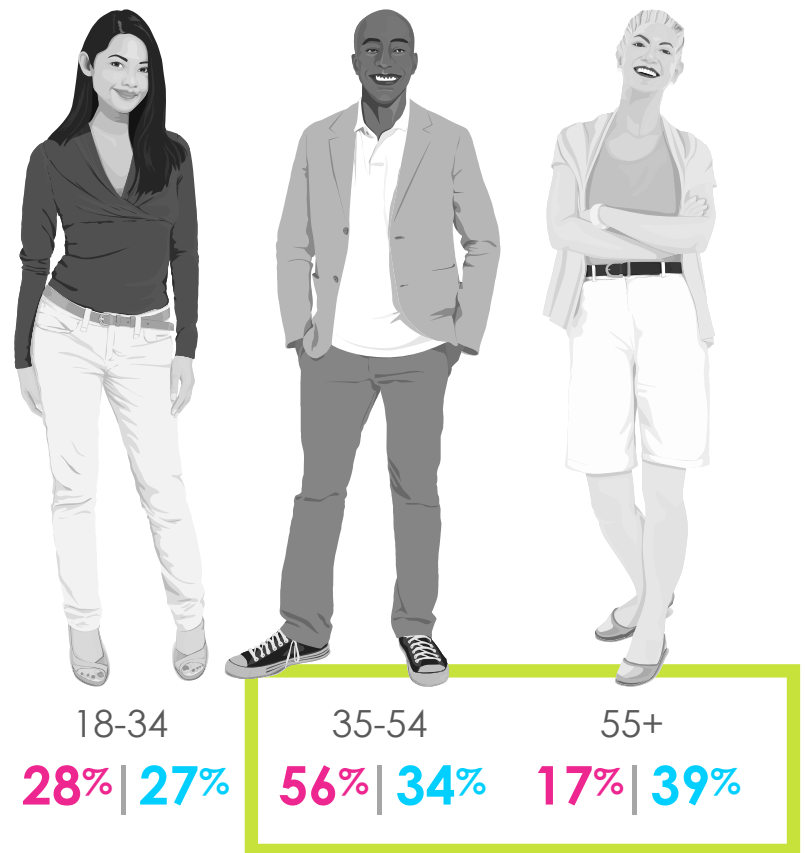
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AD NATION 2020:

CANADIAN & INDUSTRY
PERCEPTIONS OF
ADVERTISING & MEDIA



About **US** and **THEM**



Advertiser



Creative agency



Publisher*



Media agency



Digital agency

* Publishers include TV, print, radio, Google, etc.

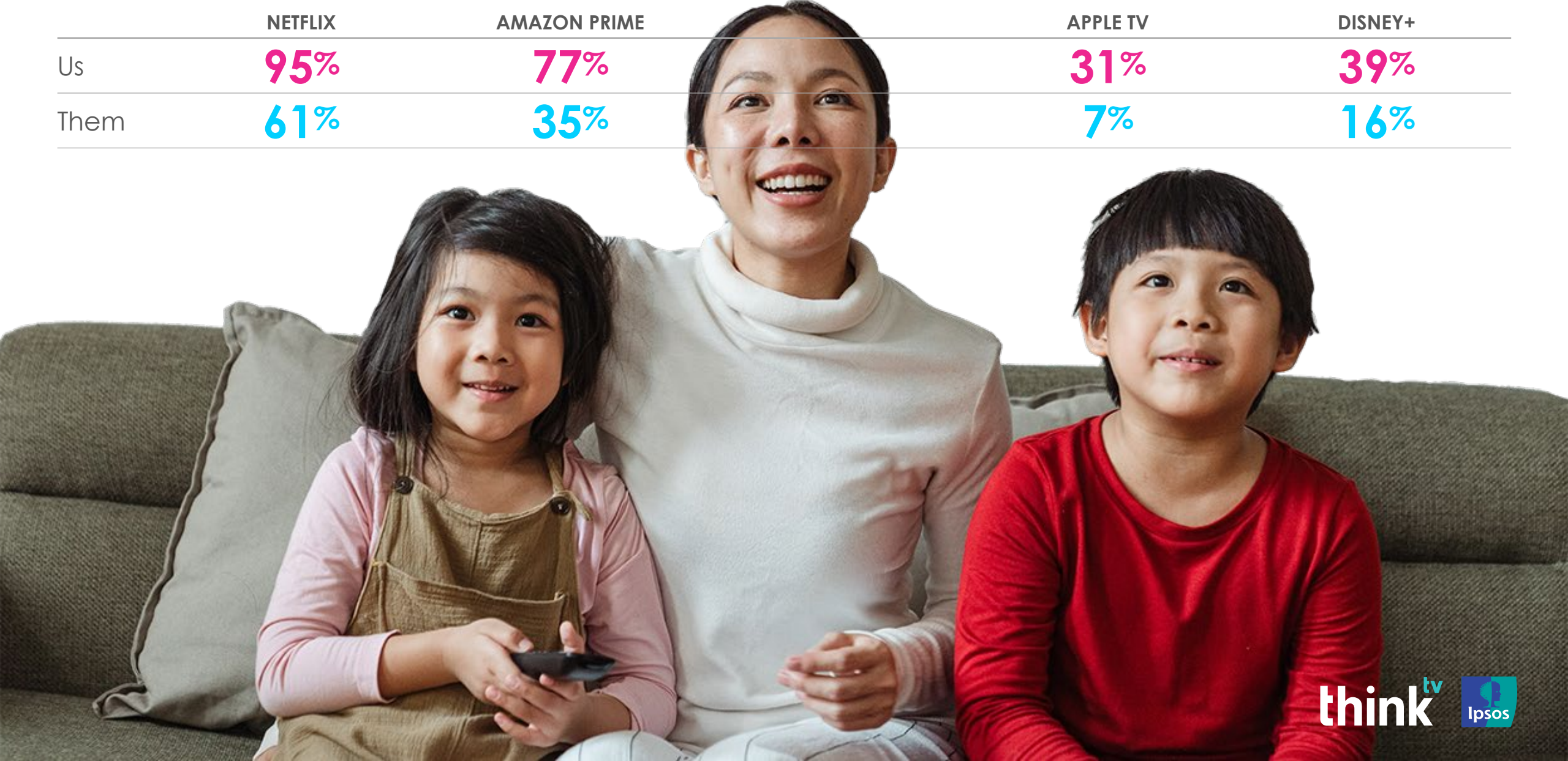
About **US** and **THEM**

	SMARTPHONE	TV STREAMING DEVICE	SMART SPEAKERS	SMART TV
Us	97%	66%	58%	67%
Them	78%	27%	19%	49%



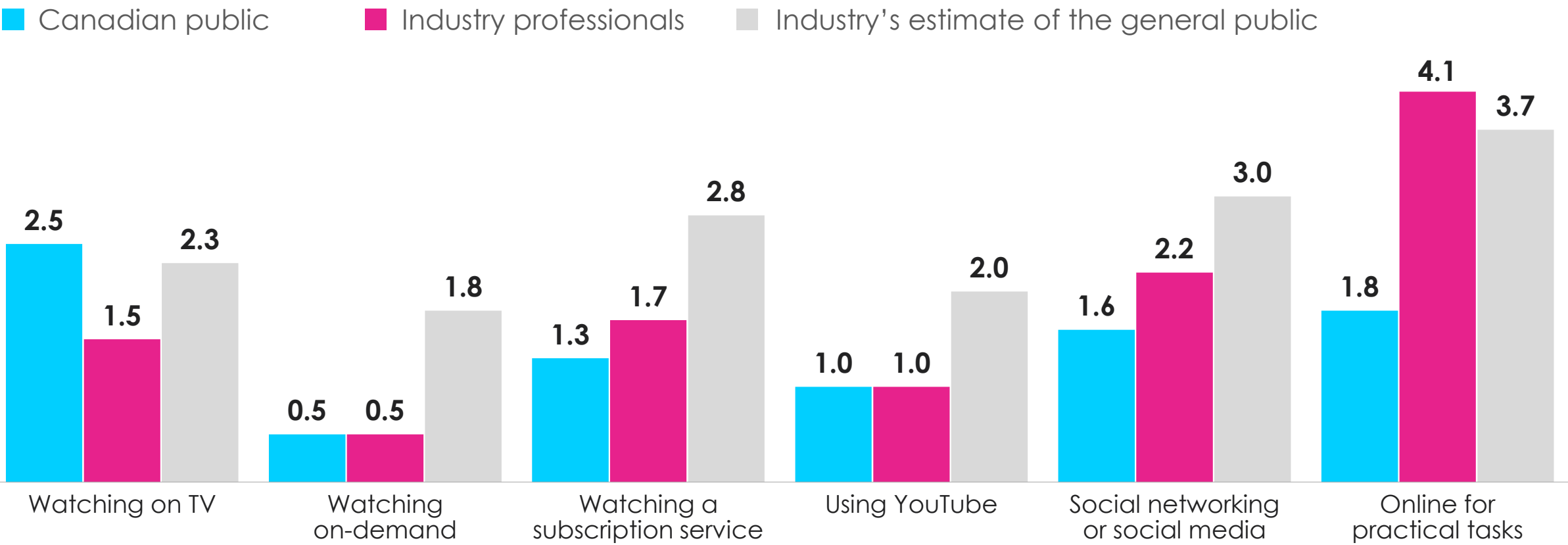
About **US** and **THEM**

	NETFLIX	AMAZON PRIME	APPLE TV	DISNEY+
Us	95%	77%	31%	39%
Them	61%	35%	7%	16%



Our lens appears to be colouring how much we think Canadians are consuming media

Daily Time Spent on Different Media Types (mean number of hours)

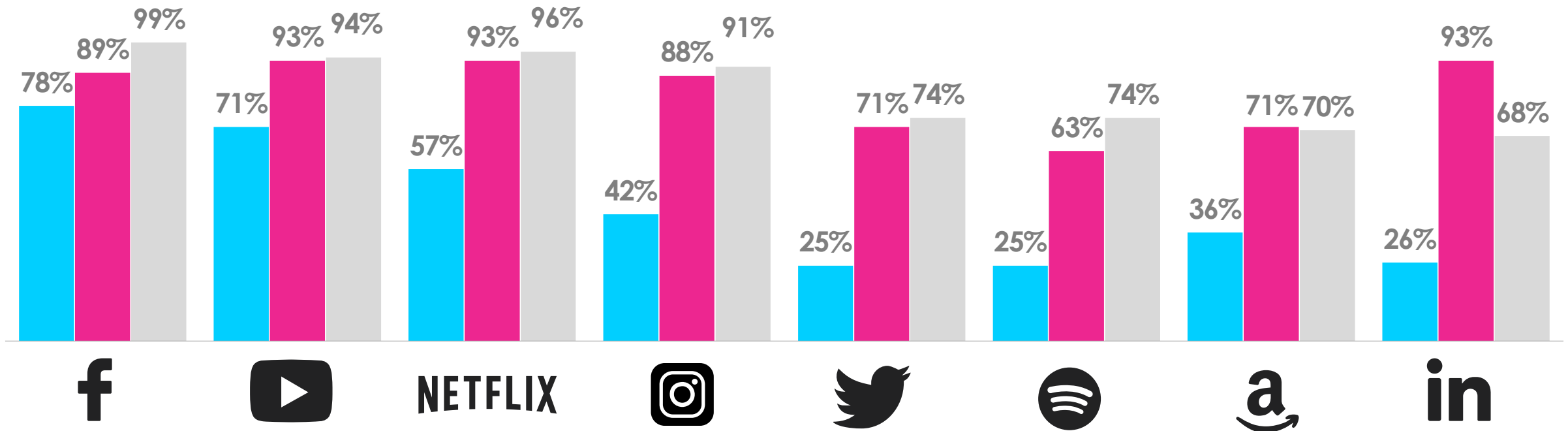


In an average day, approximately how much time do you spend doing the following activities?
What percentage of time do you think that **the average adult Canadian** spends doing the following activities in an **average day**?

Our lens appears to be colouring what we think Canadians are doing – app usage

Apps Used in the Last Month

■ Canadian public ■ Industry professionals ■ Industry's estimate of the general public

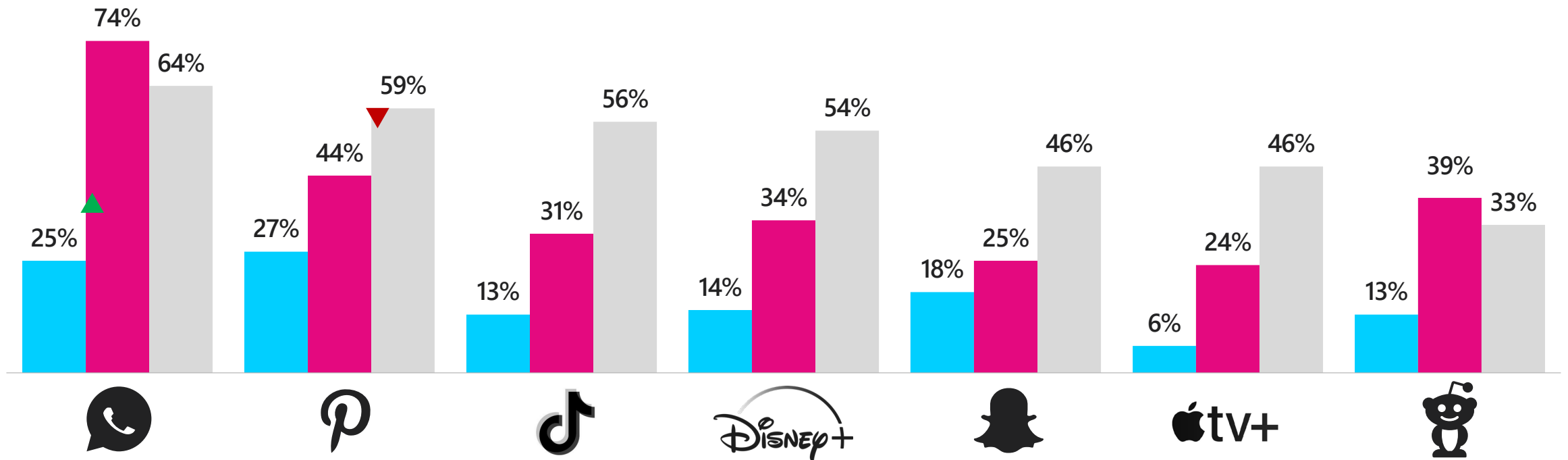


Which of the following websites, apps, or services have you visited or used in the last 1 month?
Which of the following websites, apps, or services do you think that **the average adult Canadian** has visited or used in the last 1 month?

Our lens appears to be colouring what we think Canadians are doing – app usage

Apps Used in the Last Month

■ Canadian public ■ Industry professionals ■ Industry's estimate of the general public

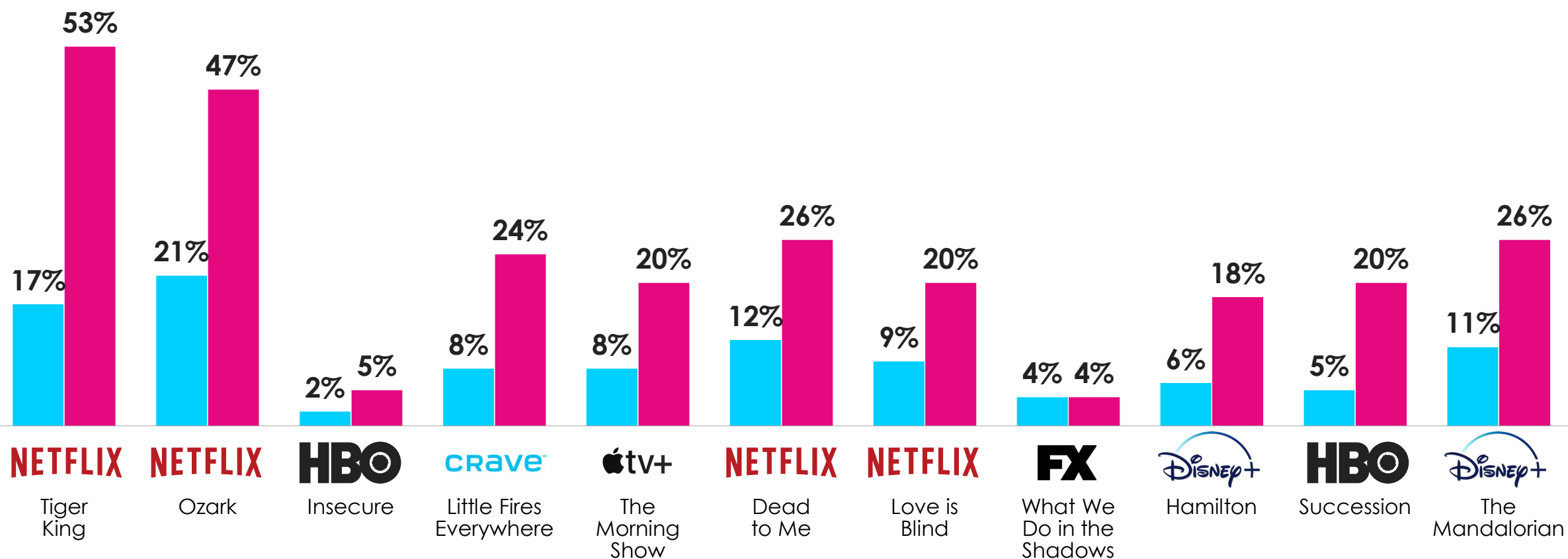


Which of the following websites, apps, or services have you visited or used in the last 1 month?
Which of the following websites, apps, or services do you think that **the average adult Canadian** has visited or used in the last 1 month?

We're not watching what they watch – does this influence our opinion?

At least One Episode Watched in P6M

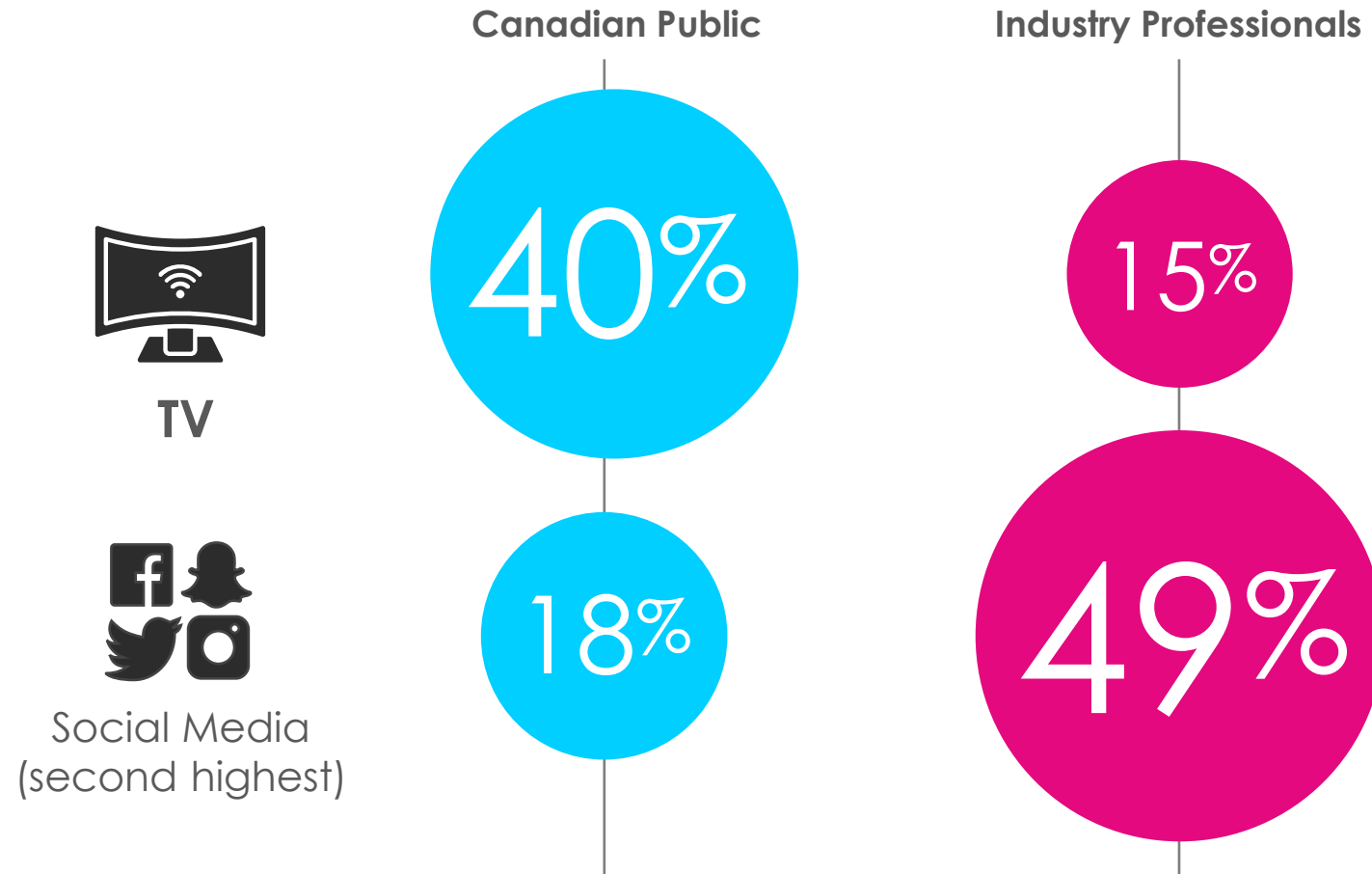
Canadian public Industry professionals



Which of the following shows have you watched at least one episode of in the last 6 months?

We are underestimating TV and overestimating Social Media

Which media draws your attention to a product/brand you hadn't heard of?



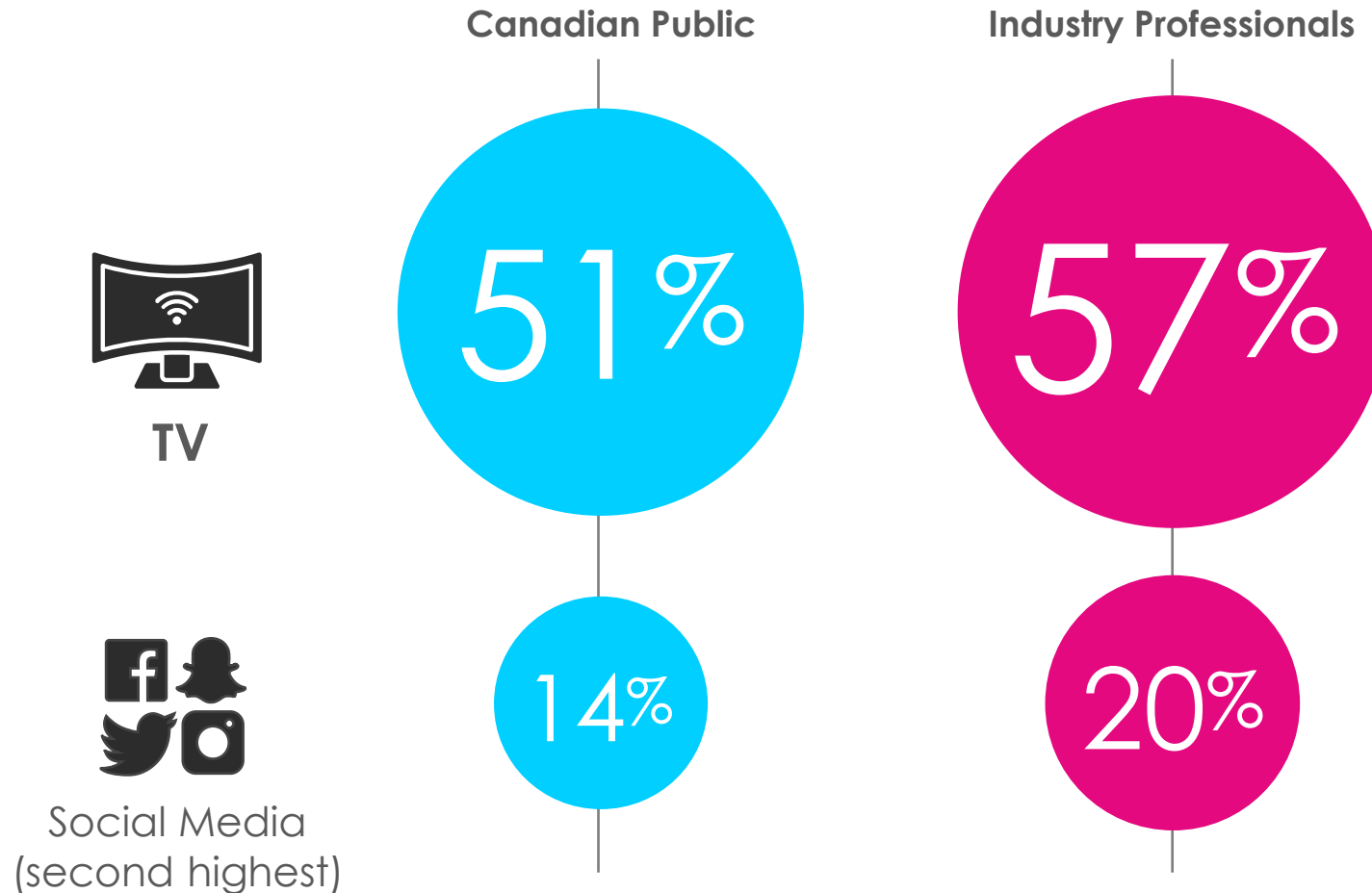
In which of the following media are you **most** likely to find advertising that ...?

Assuming that your total marketing budget returns to a normal level next year, how will you adjust your spending for the following media (if at all).

Significantly up (▲) / down (▼) from 2017

But we also recognize TV's strengths

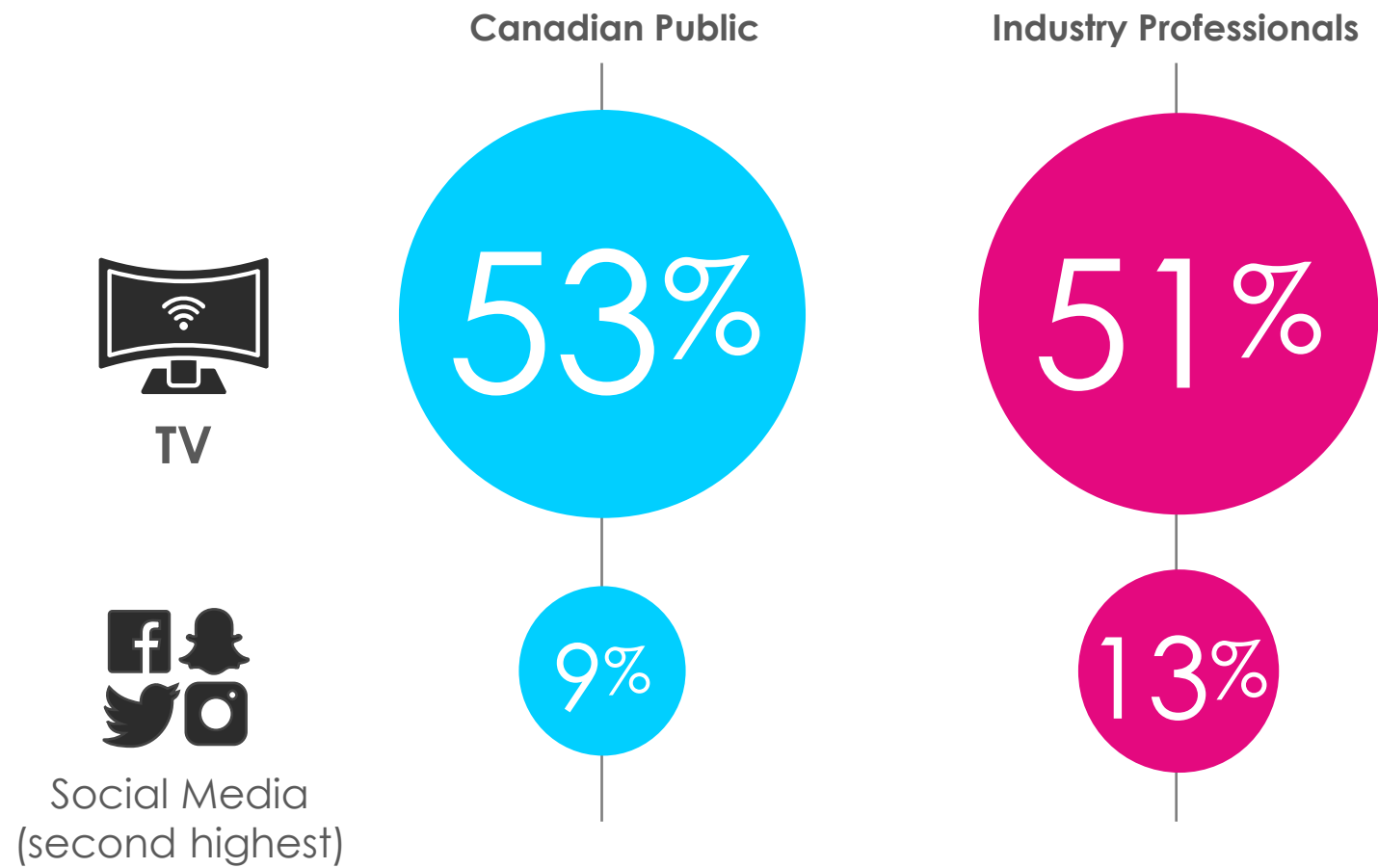
Which media makes brands, products or services more recognizable/famous?



In which of the following media are you **most** likely to find advertising that ...?

But we also recognize TV's strengths

Which media carries advertising that sticks in your memory?



In which of the following media are you most likely to find advertising that ...?

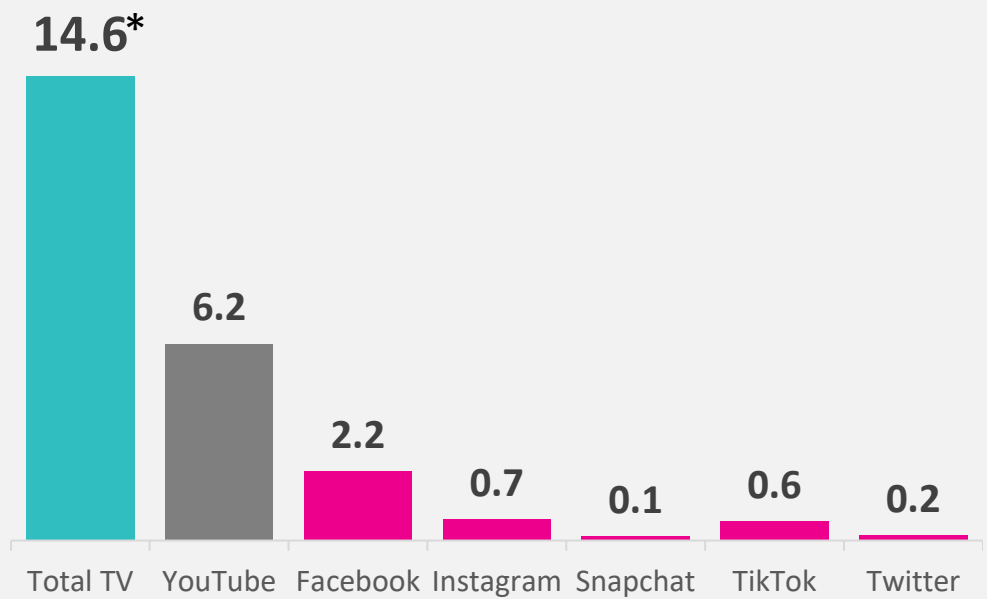
A woman with long, straight brown hair is seen from behind, sitting on a light-colored couch. She is holding a black remote control in her right hand, pointing it towards a television screen in the background. The television is mounted on a wall and displays a blue-toned image. The scene is dimly lit, suggesting an evening or indoor setting with artificial light. The overall mood is relaxed and domestic.

**Canadians
watch a lot of TV**

Canadians watch a lot of

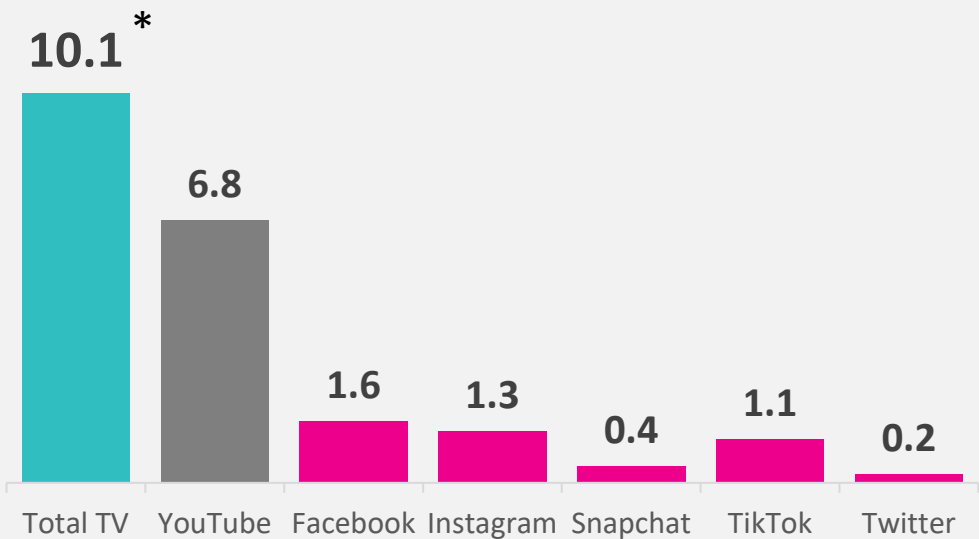
AVERAGE WEEKLY HOURS

ADULTS 25-54



* 85% of A25-54 TV viewing is LIVE

ADULTS 18-34

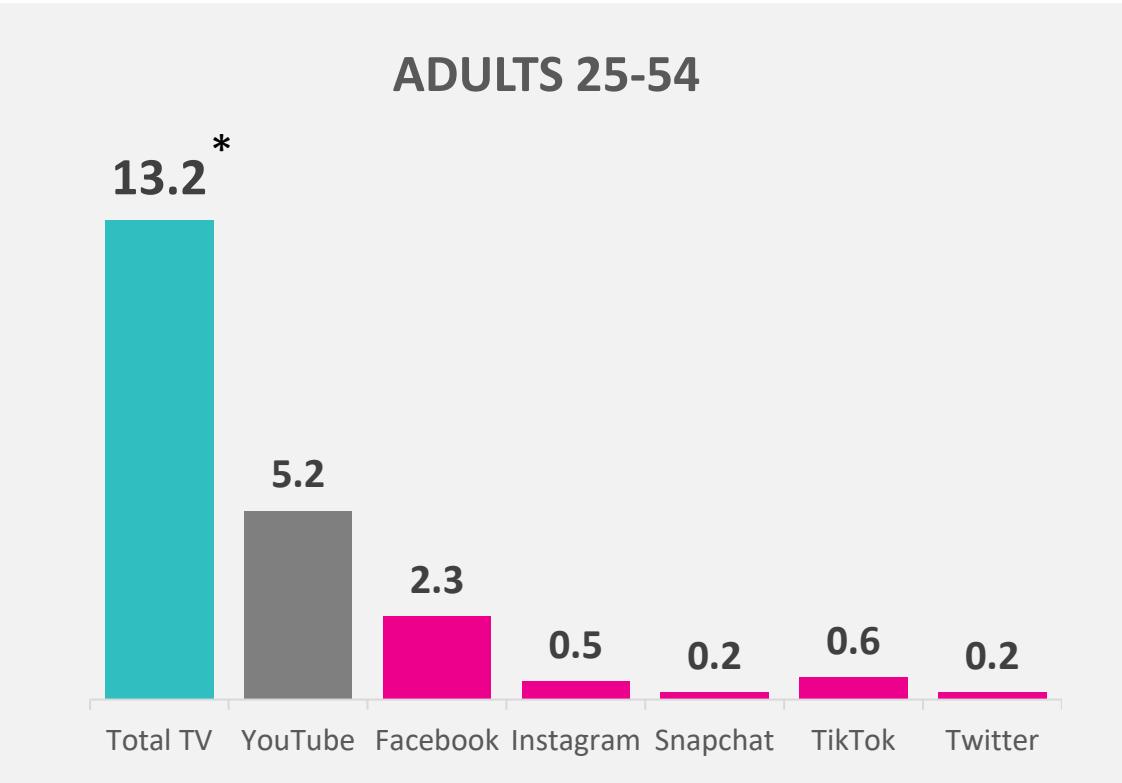


* 87% of A18-34 TV viewing is LIVE

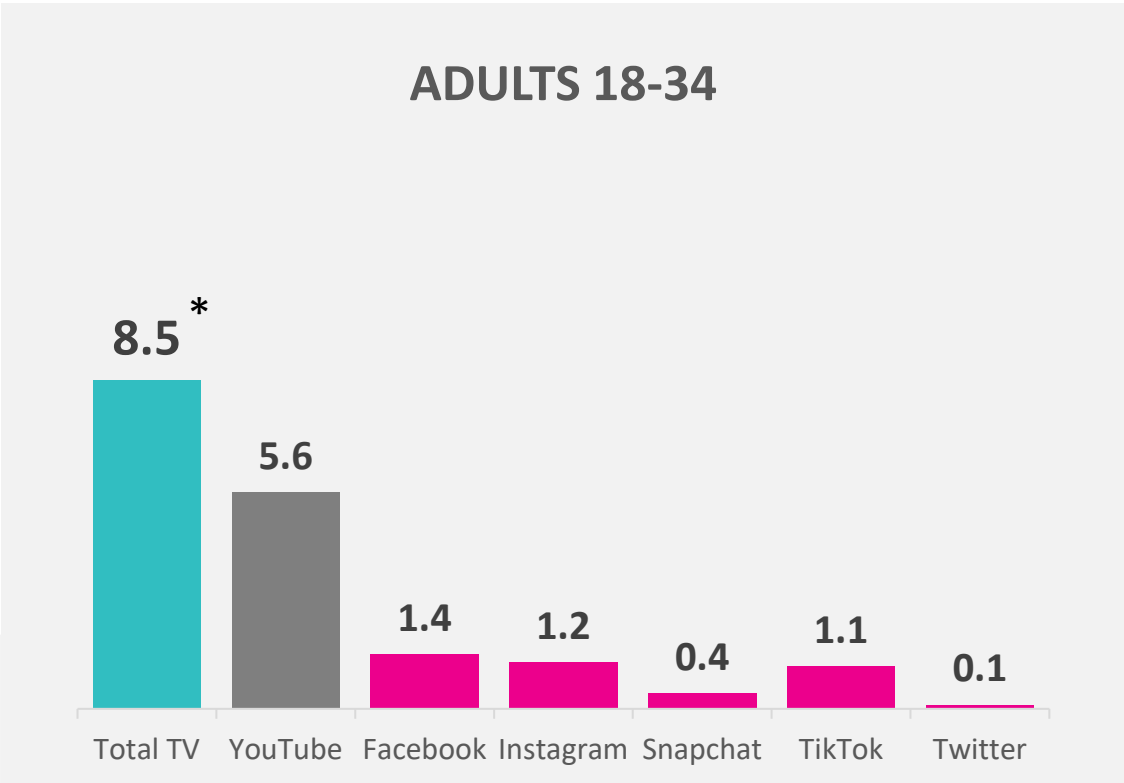
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and so do Western Canadians

AVERAGE WEEKLY HOURS



* 85% of A25-54 TV viewing is LIVE



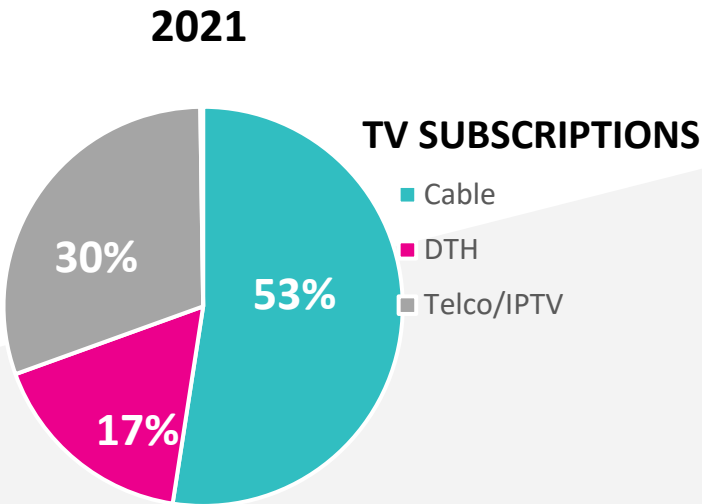
* 86% of A18-34 TV viewing is LIVE

10.5 million Canadian HH's have a paid TV subscription

Cord cutting has been far overstated: total subs are down less than 1%.

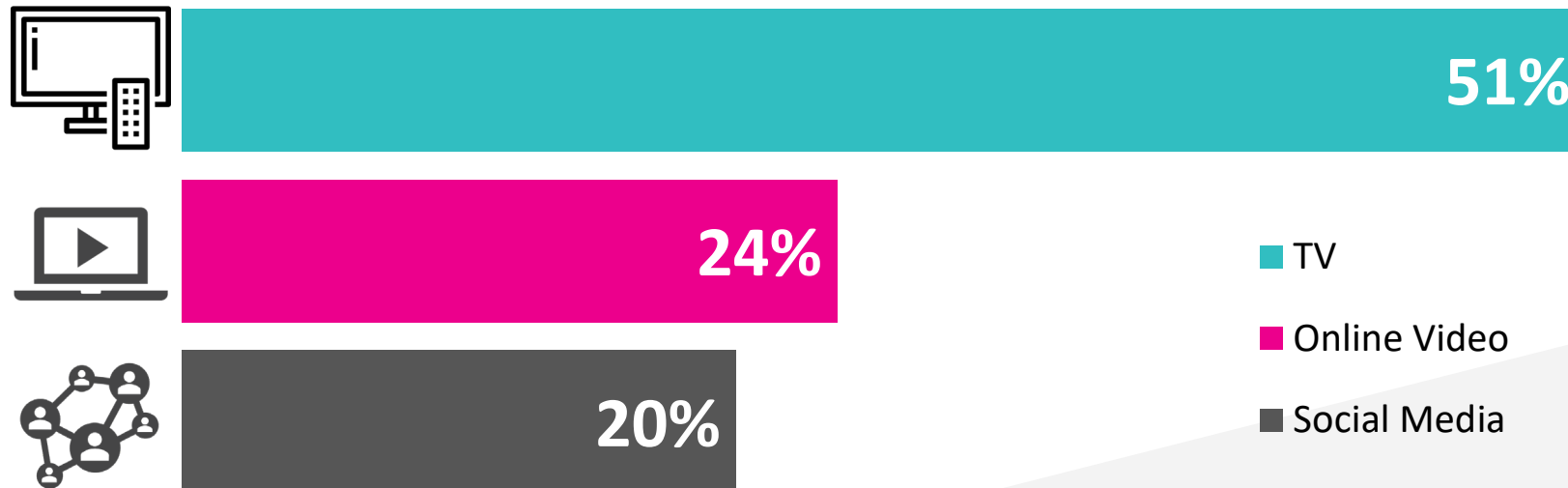
The notion that “no millennials subscribe to TV” is also false: 57% of 18-34 year olds subscribe to TV, and they’re also accessing linear TV out-of-home and via streaming (which is how TV is able to reach 78% of A18-34 on a weekly basis).

	Jan '20	Jan '21	Index
Total Subscribers	10,548,341	10,483,436	99.4
Basic/Digital Cable	5,634,299	5,497,952	97.6
Satellite	1,933,180	1,786,392	92.4
Telco/IPTV	2,956,769	3,175,139	107.4
Other	24,093	23,953	99.4



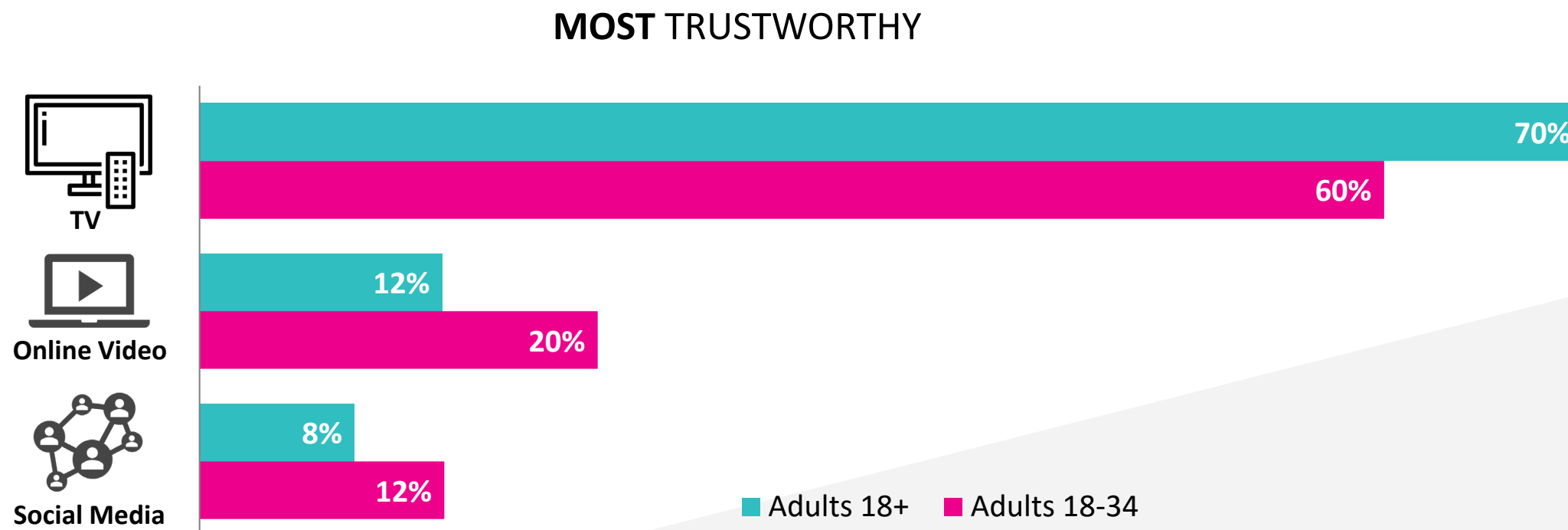
Canadians pay **most attention** to ads on **tv**

Q. Which one of the following media carries video advertising that best captures your attention?



tv is most trusted across all demos

Q. Which one of the following media carries video advertising that you believe to be most trustworthy?



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A woman with long, wavy brown hair is seen from behind, sitting on a light-colored sofa. She is holding a black remote control in her right hand, pointing it towards a television in the background. The television screen is blurred but shows a blue-toned image. The room has a warm, neutral-toned wall. The text "TV is incredibly effective" is overlaid on the right side of the image.

**TV is incredibly
effective**



works throughout the funnel

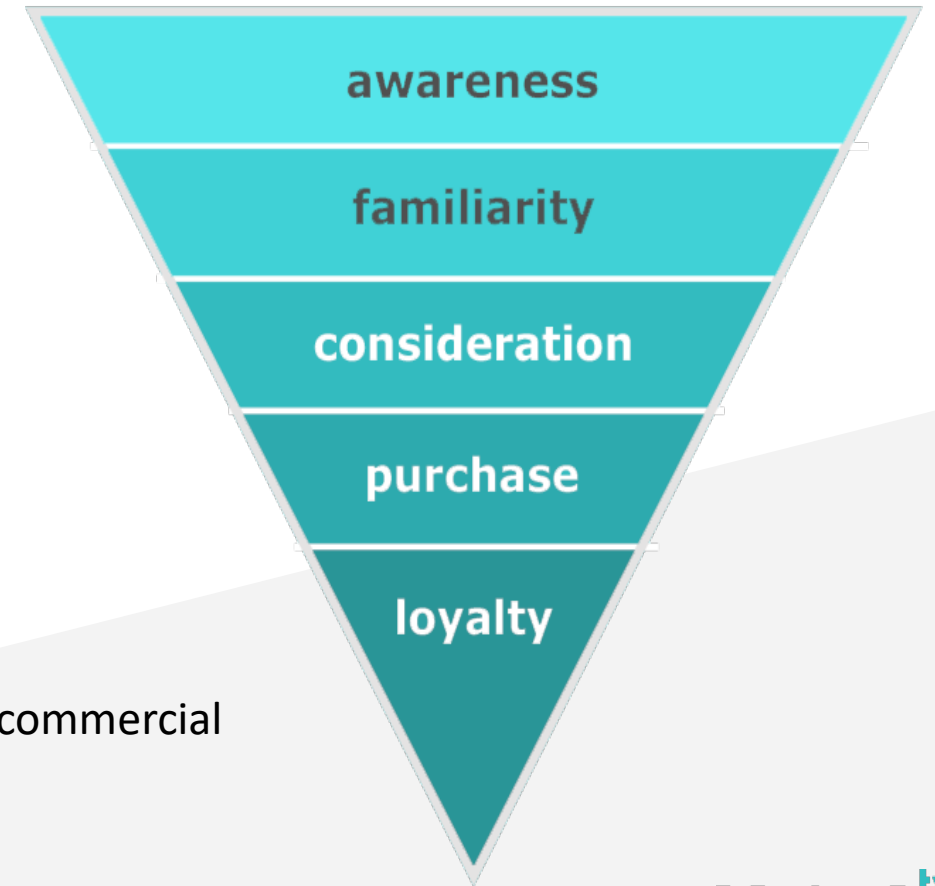
TV is your best store-front window

Top of the Funnel

- Awareness
- Brand building
- Interest / purchase intent

Bottom of the Funnel

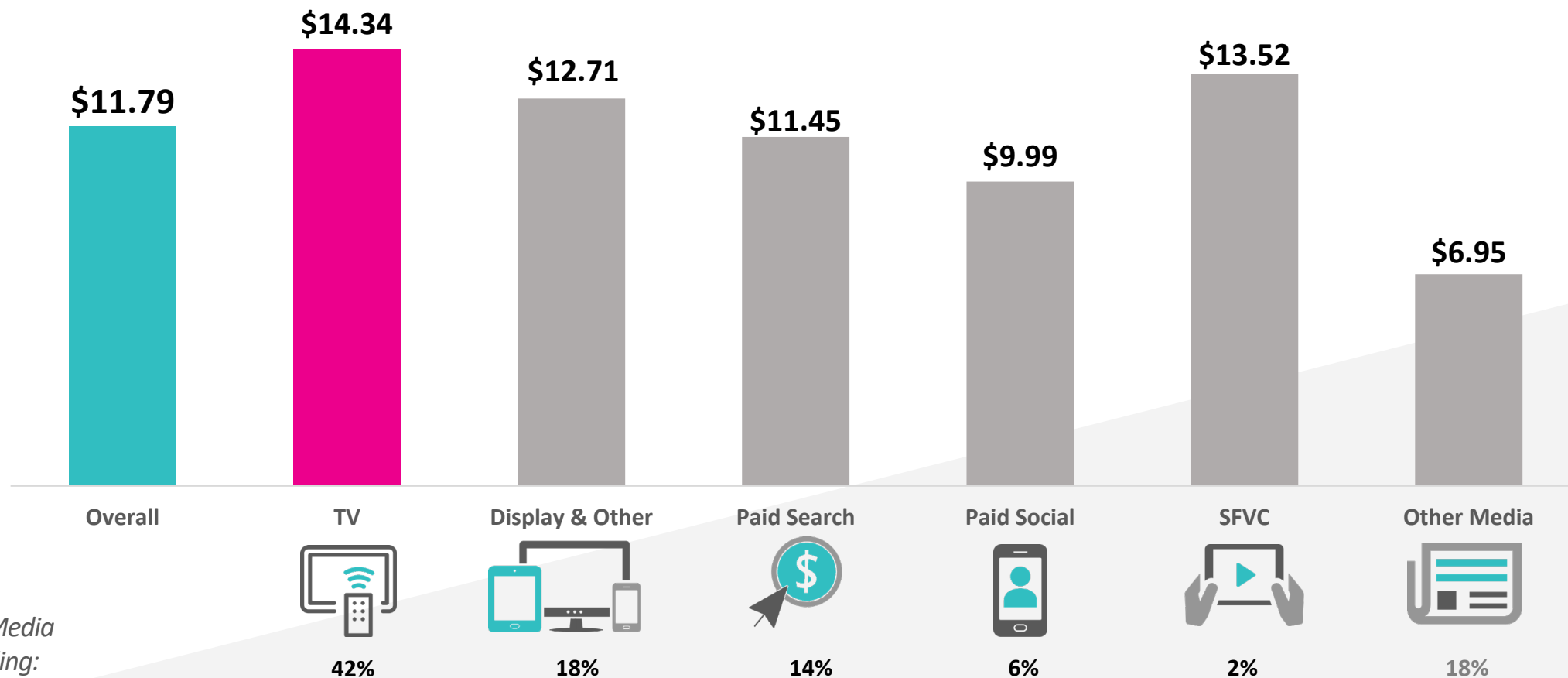
- Activation via sales promotions messages
- TV ads drive website visits
- Thanks to digital, you can literally buy online *while* watching the TV commercial



tv delivers the **best ROI**

TV's ROI is \$14.34 for every dollar spent

ATTRIBUTED SALES ROI BY MEDIA CHANNEL OVER A ONE YEAR PERIOD

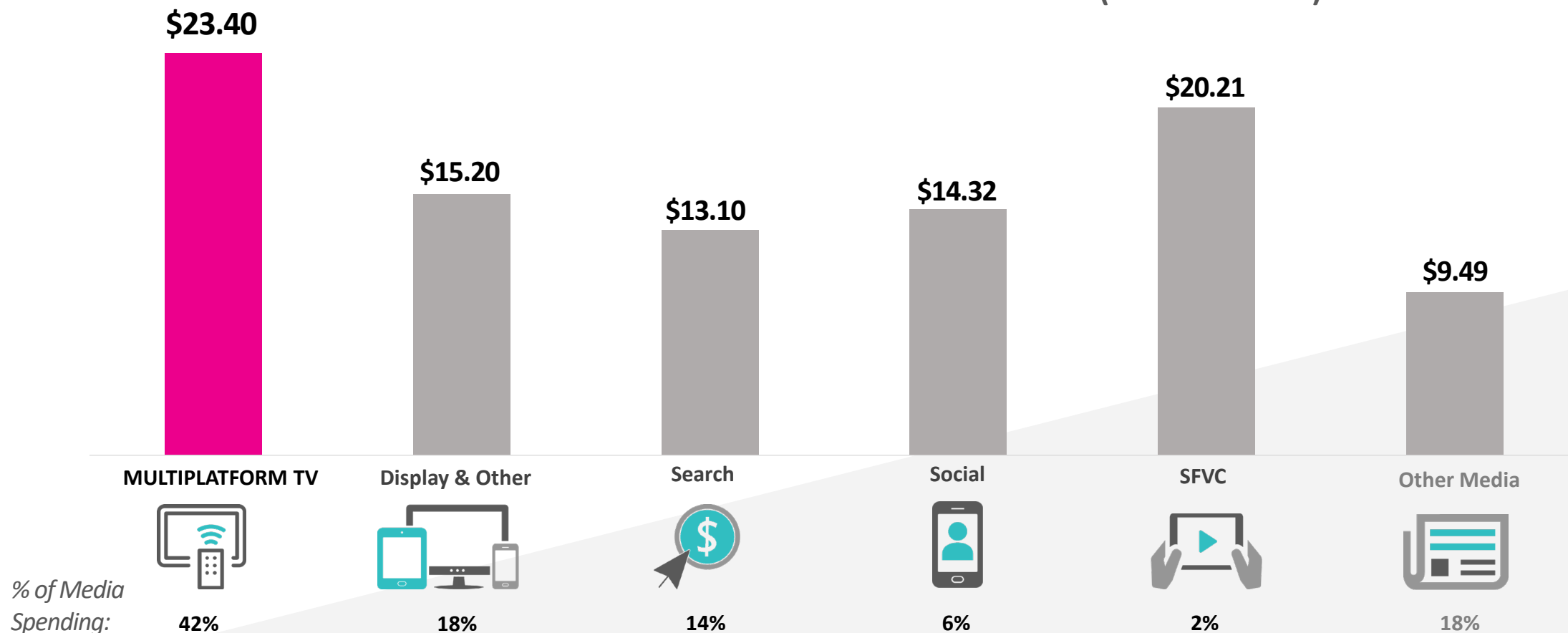


% of Media
Spending:

tv delivers the best ROI

In the long term, TV's ROI grows to \$23.40

ATTRIBUTED SALES ROI BY MEDIA CHANNEL (OVER 4 YEARS)

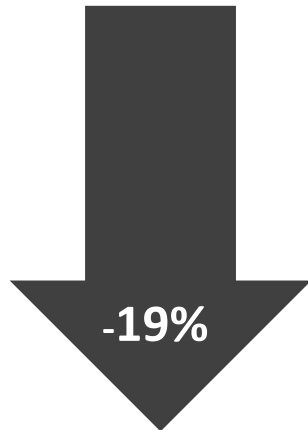


tv improves online performance

TV's halo effect amplifies the sales ROI of digital by 19%



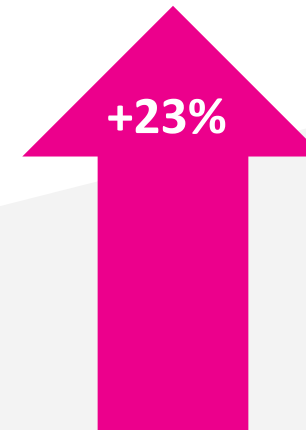
Standalone Digital ROI



Without TV's halo effect, digital advertising's average ROI would decline by 19%.



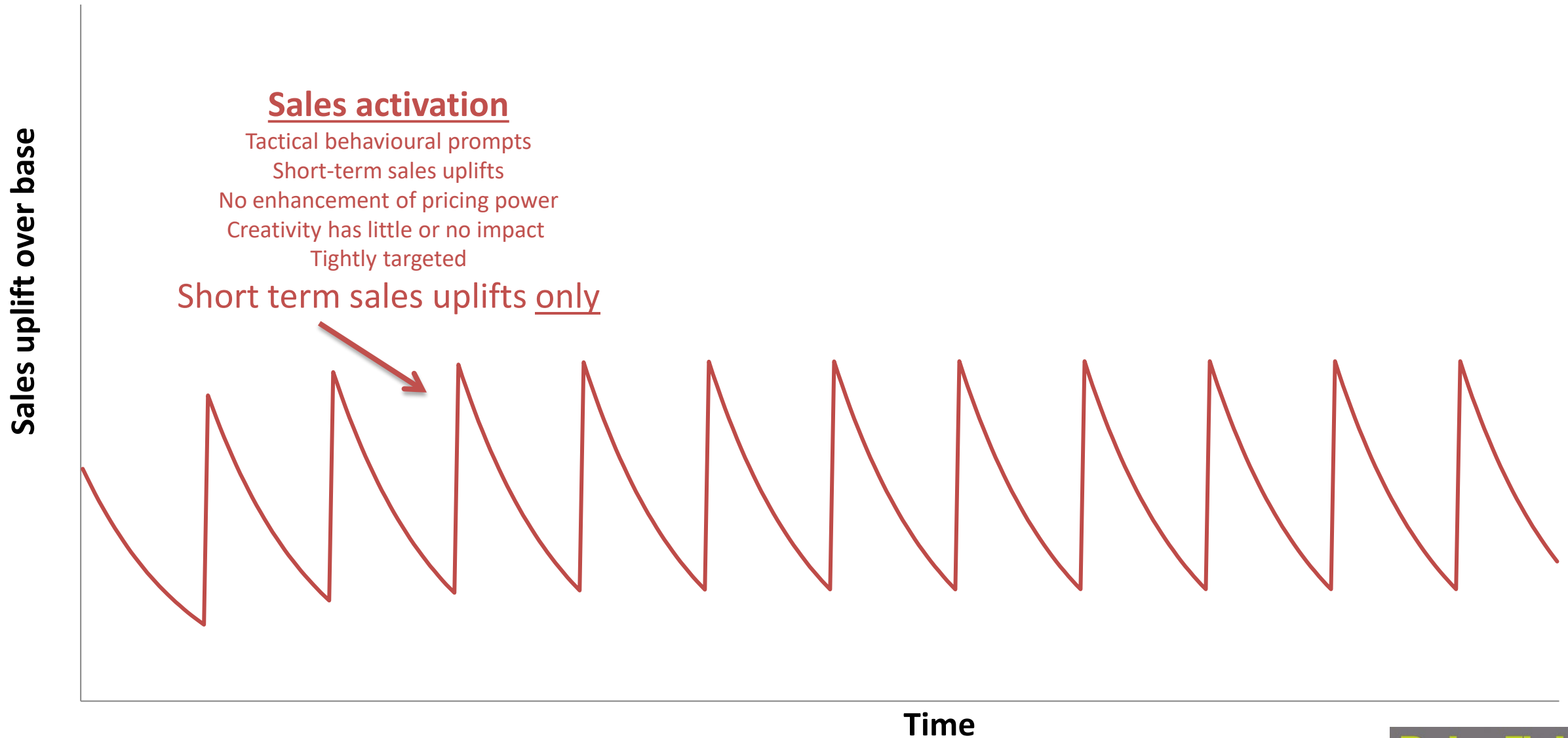
TV's Adjusted ROI



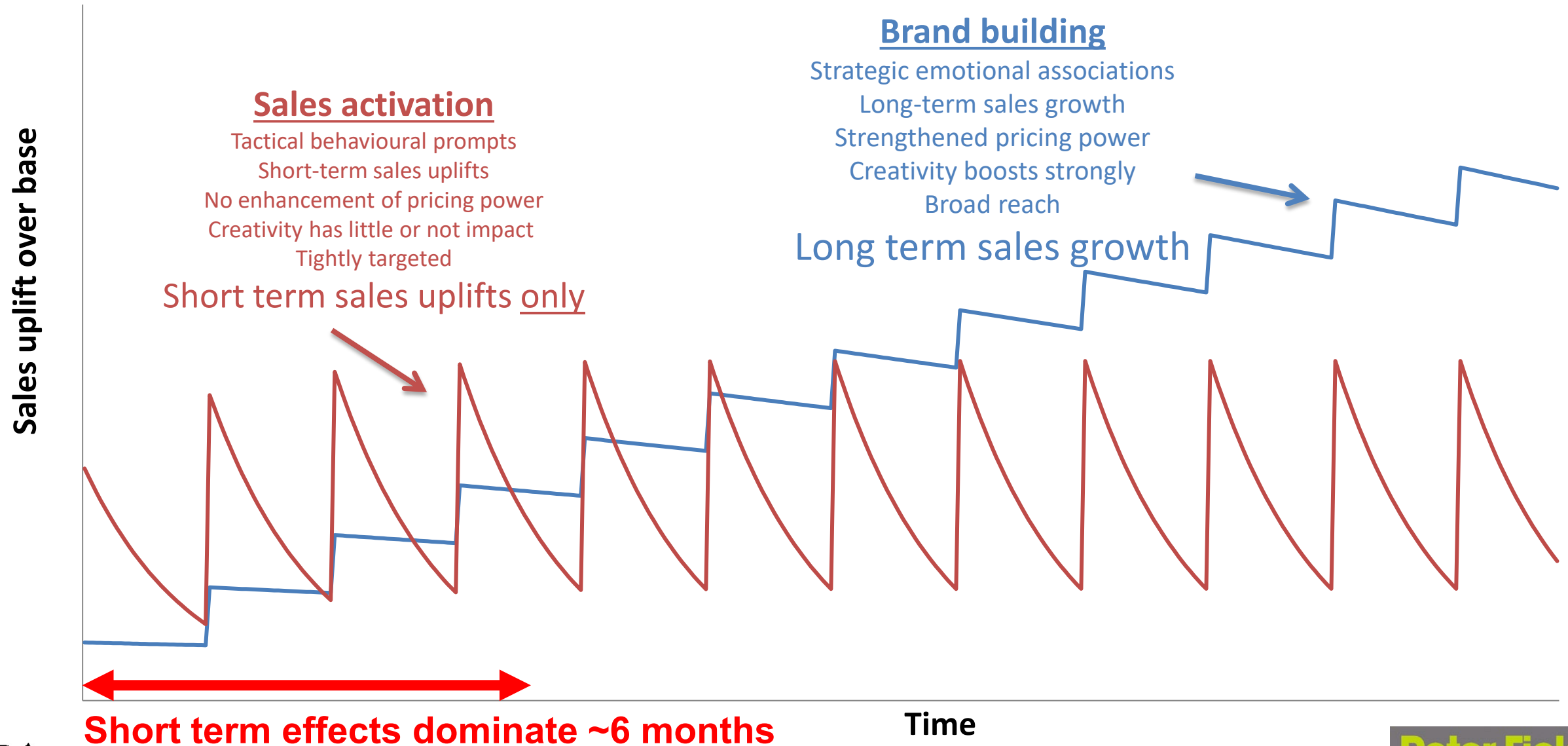
EFFECTIVENESS IN/CONTEXT

A MANUAL FOR **BRAND-BUILDING**

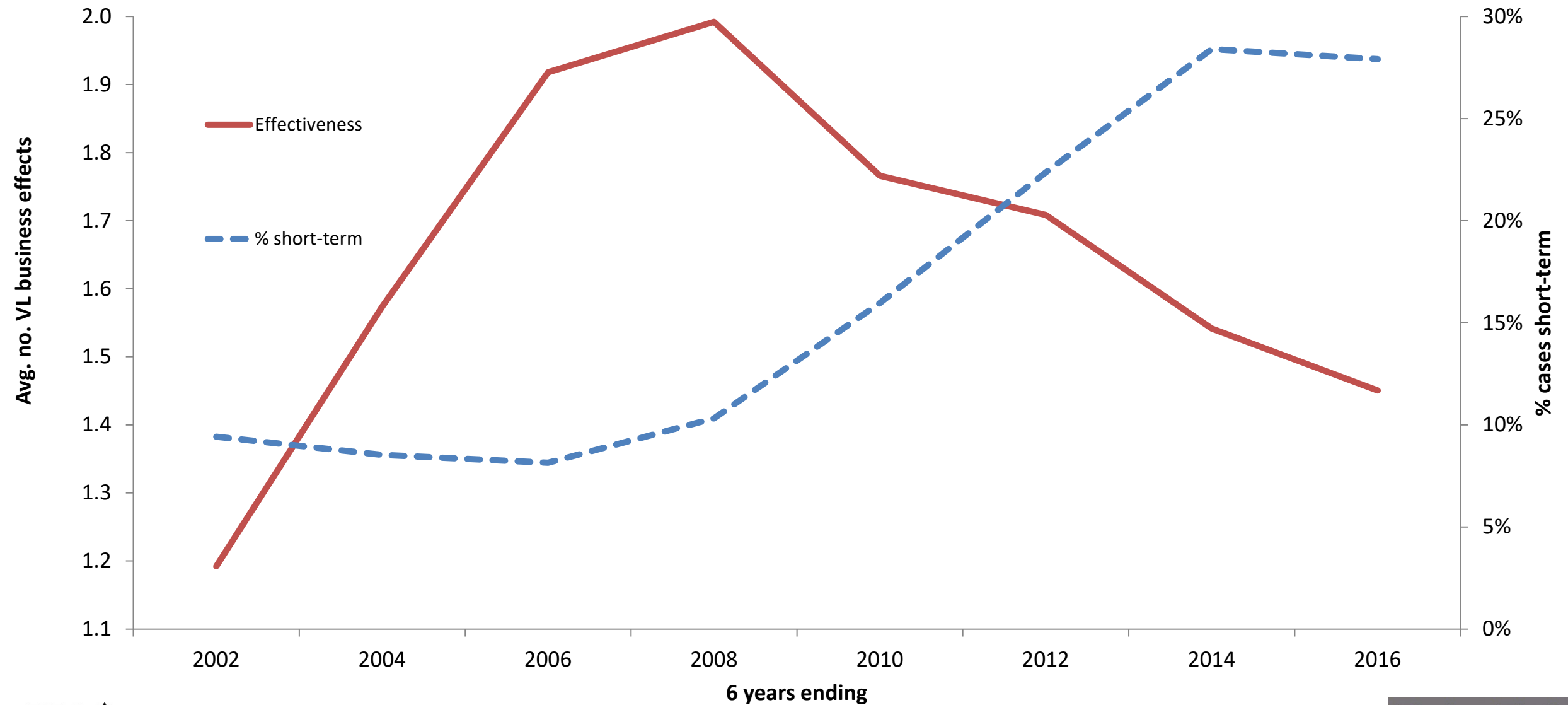
The deception of the short-term model



The deception of the short-term model

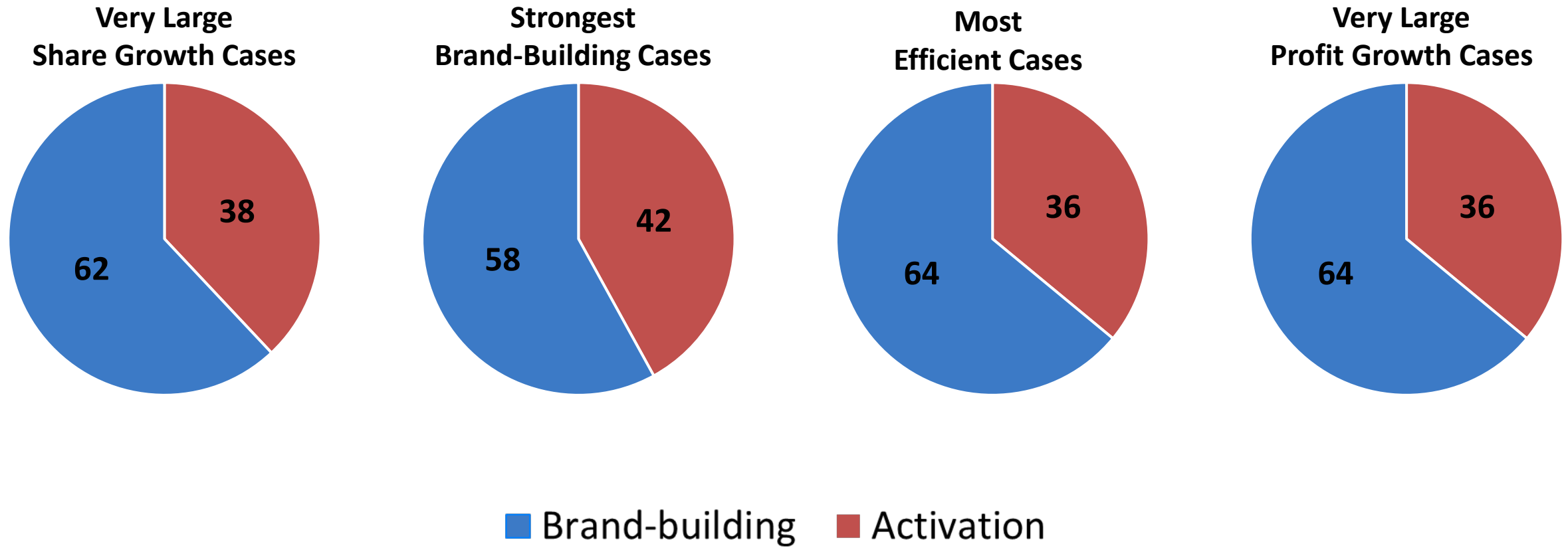


As short-termism took off, effectiveness fell

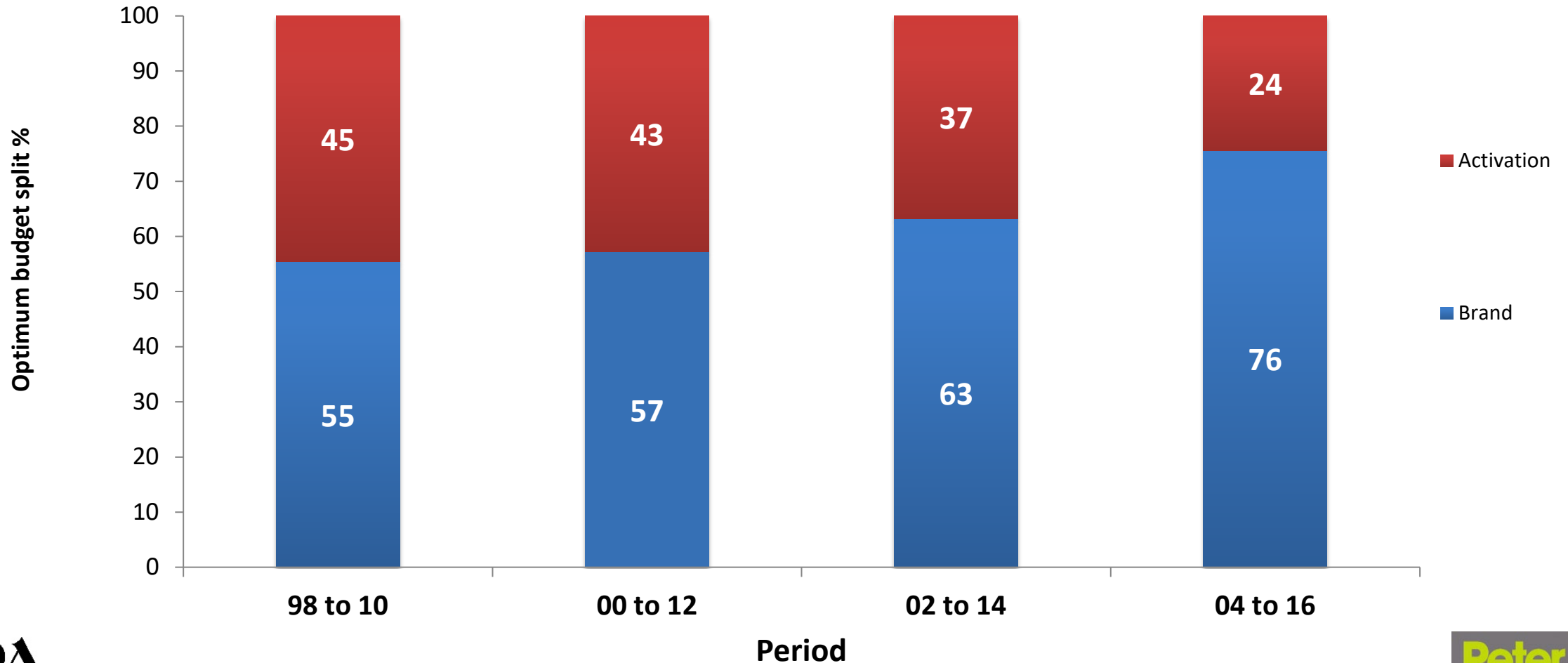


Source: IPA Databank, 1998-2016 for-profit cases

Optimum balance: The “60:40 rule”



The sweet spot is shifting to brand



Source: IPA Databank, 1998-2016 for-profit cases

Very Large Business Effects

Profit

Sales gain

Market share

Penetration

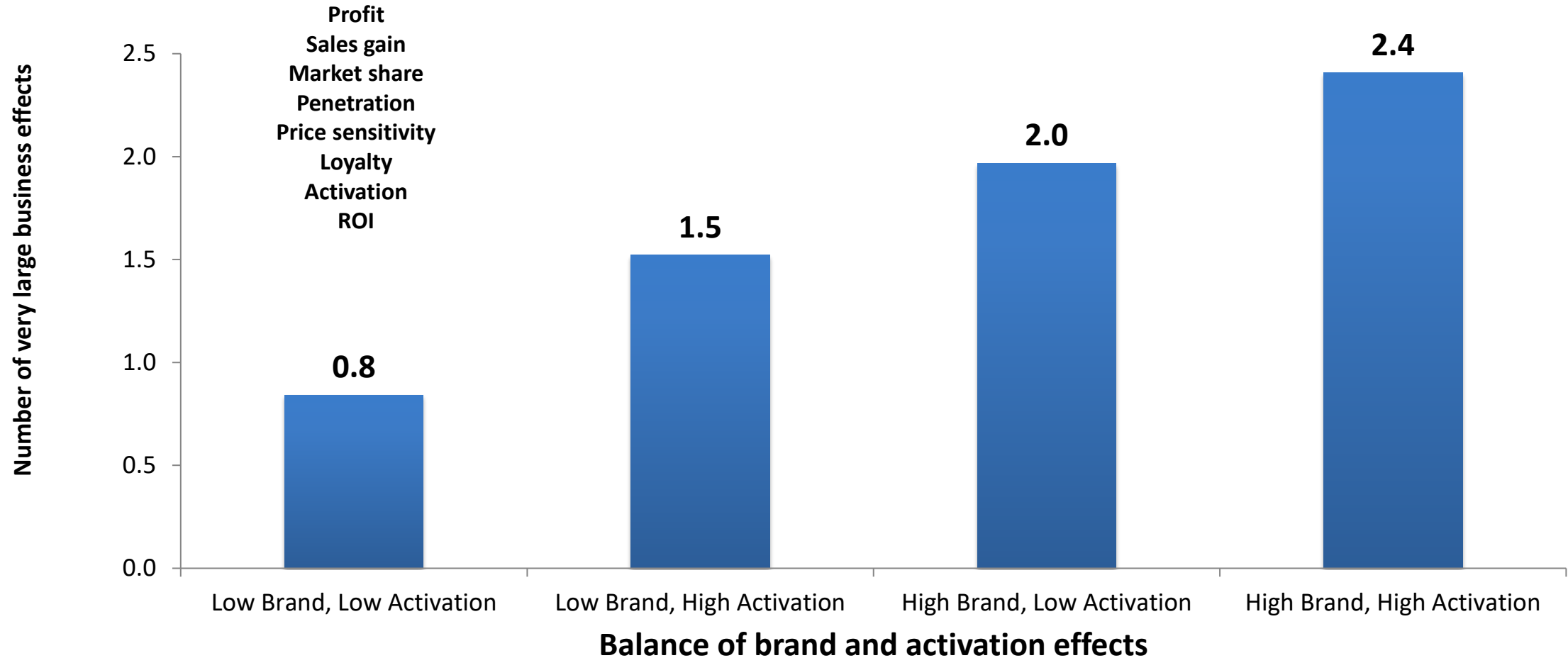
Price sensitivity

Loyalty

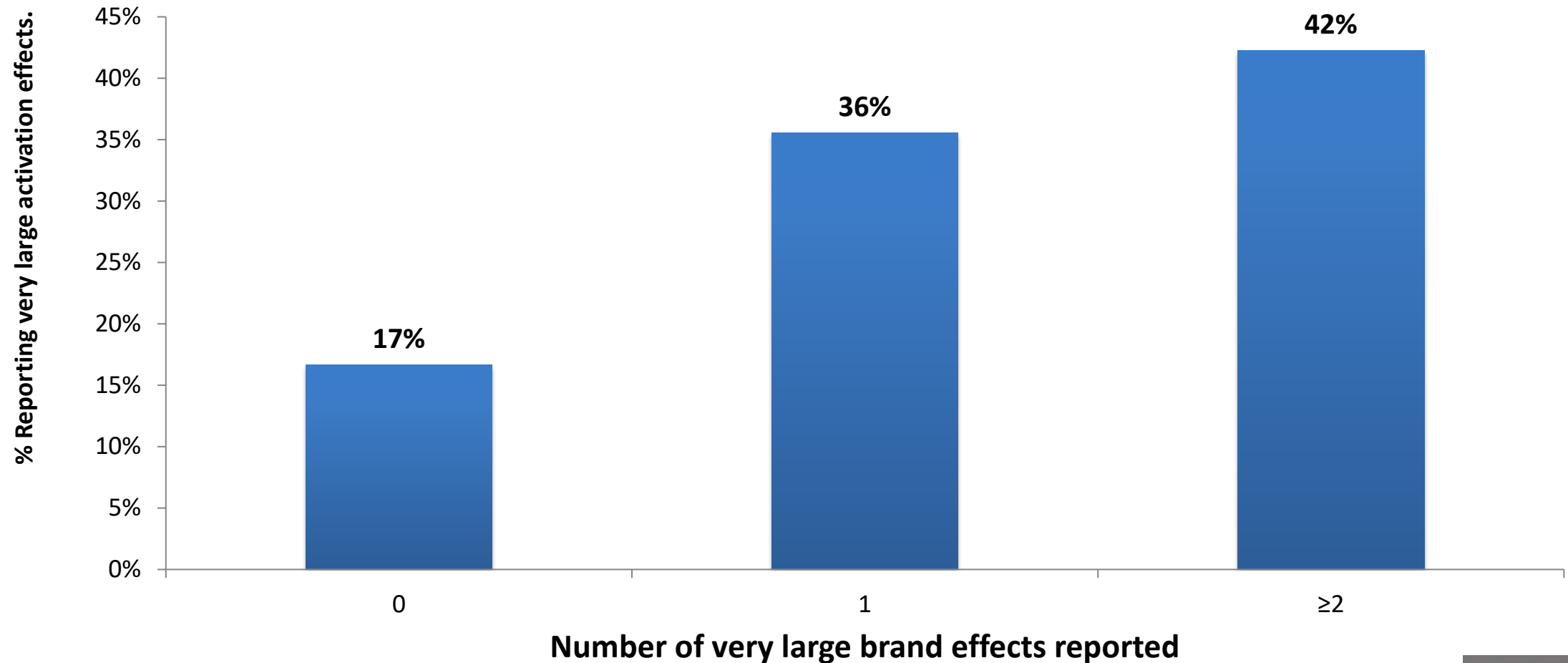
Activation

ROI

You need brand and activation

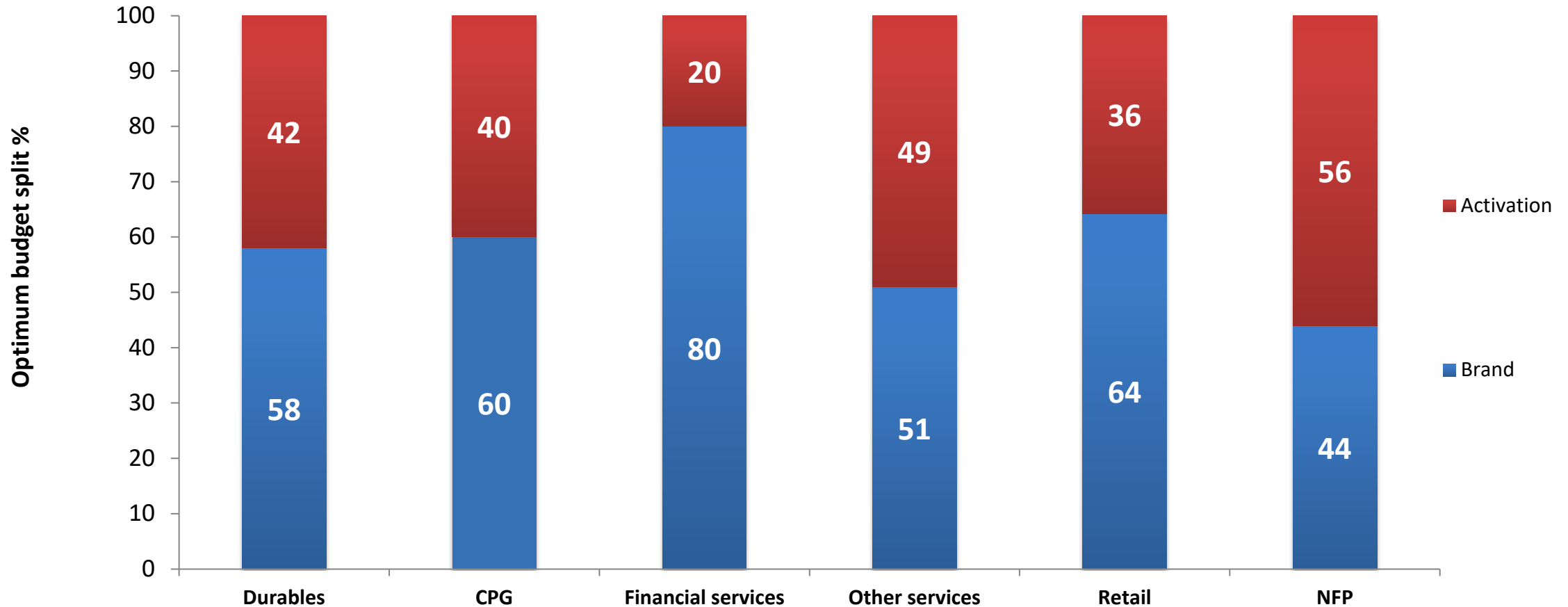


Brand building boosts short-term effects



Source: IPA Databank, 1998-2016 for-profit cases

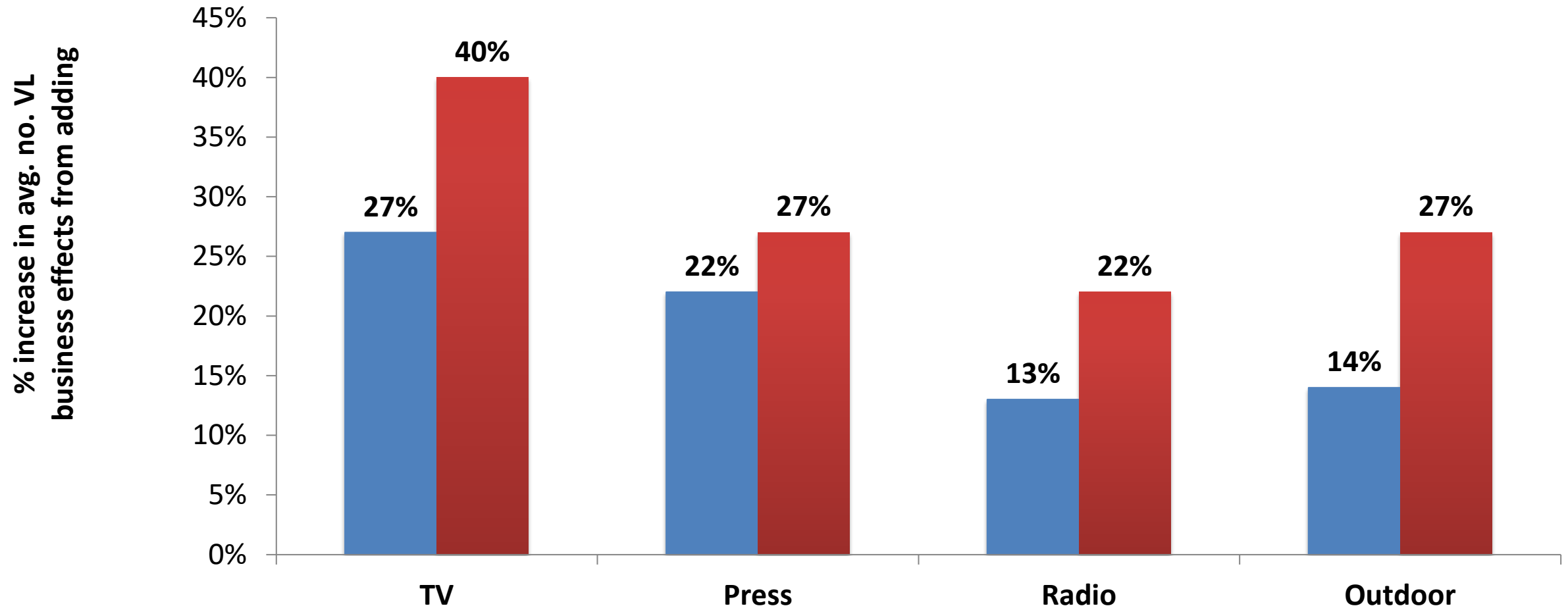
Brand to Activation ratio – varies by category



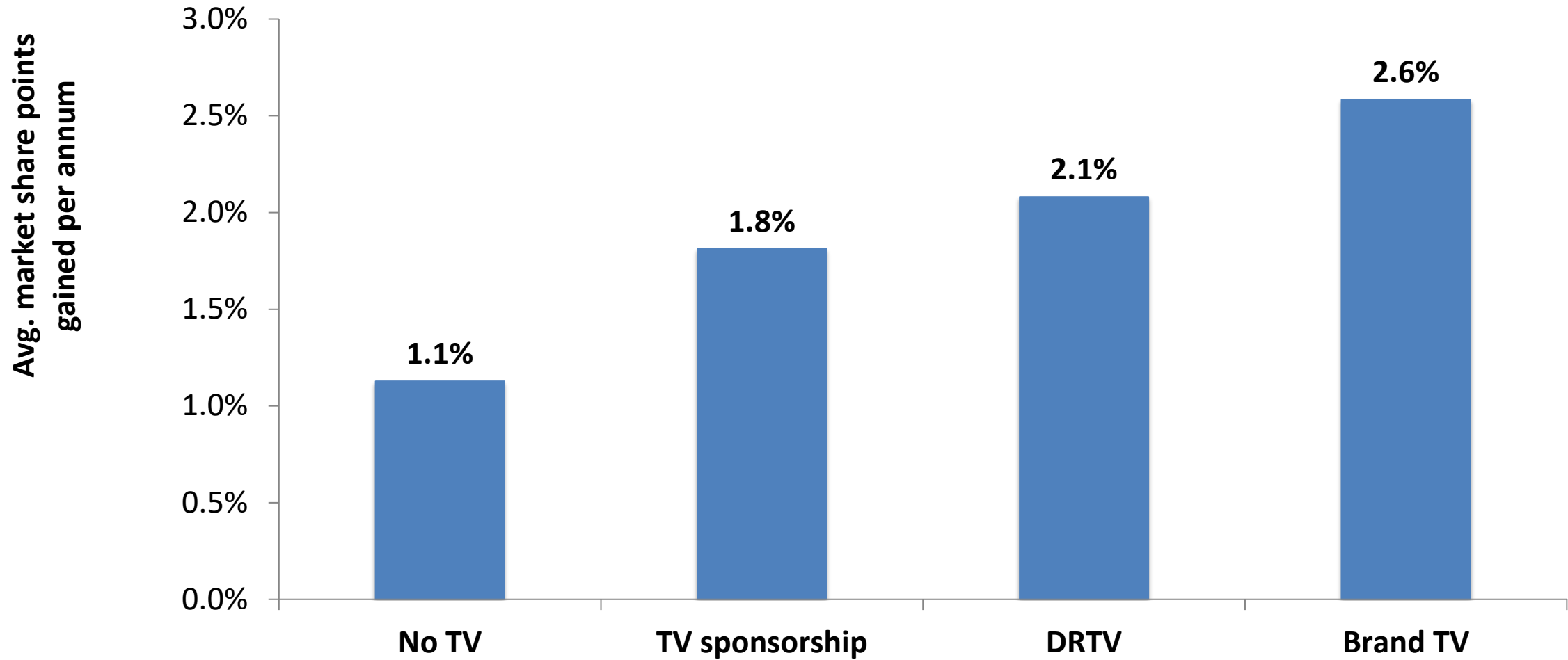
Source: IPA Databank, 1998-2016 cases

**Brand-building media are becoming more
important**

Established brand media are working harder



TV is still best for market share growth



Conclusions

- Brand building is becoming more important: the 60:40 rule has shifted closer to 80:20
- This is making brand-building media even more important
- We need to restore balance to budget deployment: allocate the recommended balance for your brand's context



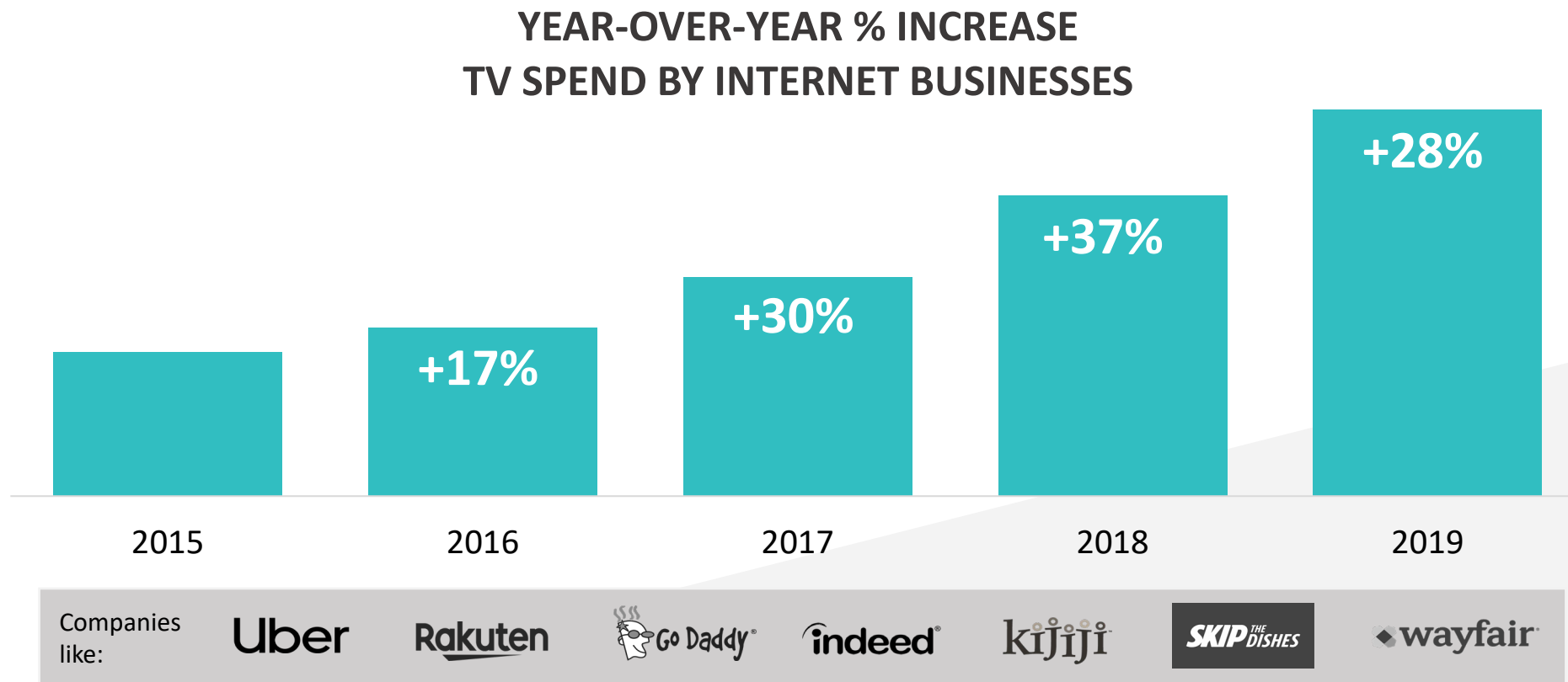
"You must have TV in your consideration set ... TV continues to represent a significant majority slice of video for most demographics."

Mark Ritson

Marketing & Branding Expert, Columnist, Consultant and Professor

digital companies know **tv** works!

TV spend by internet-related products & services* is **up over 2.7x** since 2015



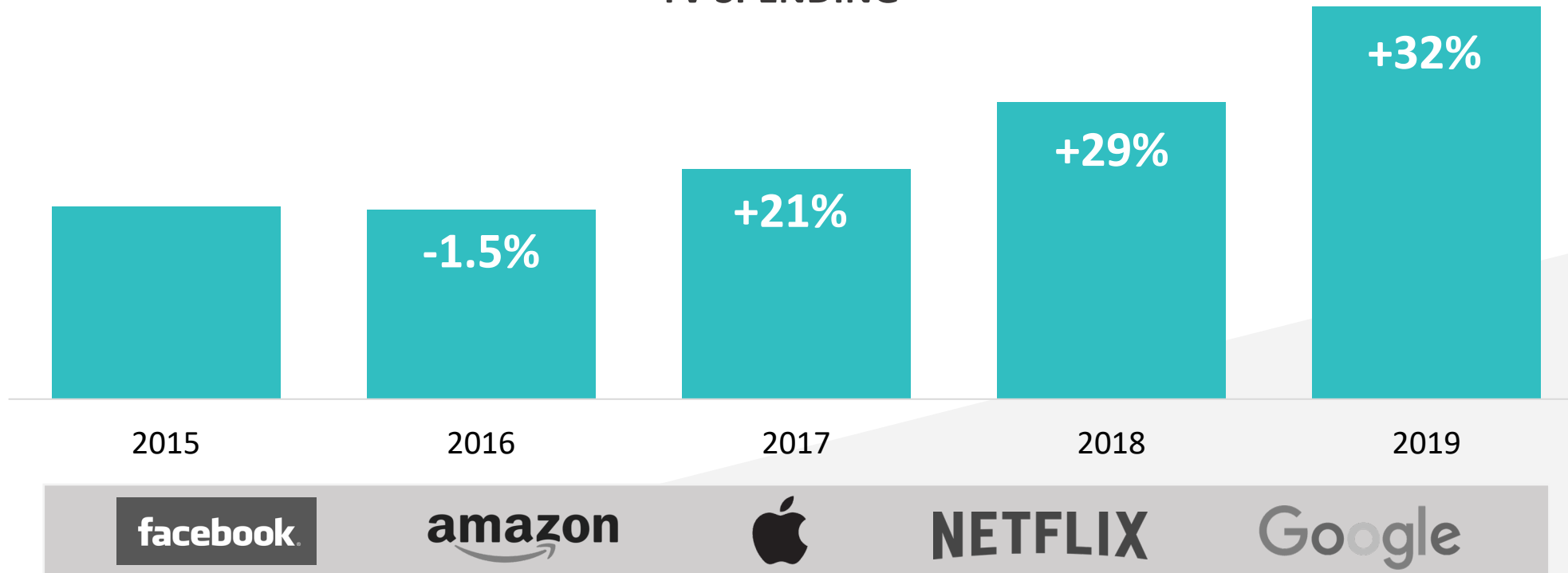
*full list available here:

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FAANG's **tv** spend continues to grow

TV spend by the FAANG companies has **doubled in 4 years**

YEAR-OVER-YEAR % INCREASE
TV SPENDING



March 25 2021

The HALO Effect



GOAL: Assess TV's Ability to Drive Outcomes by Brand Life Stage



140 Direct to Consumer Brands

50 Non-DTC Brands

METRIC: Website Traffic



New-to-TV Advertisers

3 Years Old or Less:

purple **TECOVAS**

britbox
CREATED BY BBC & ITV

Keeps

W **WalletHub**

Wag!

+ 34 Others

4-7 Years Old:

BOMBAS

Calm

ZOLA

THIRDLOVE

POSHMARK

freshly

TOUCH OF MODERN

+ 53 Others

8+ Years Old:

grammarly

CarGurus

Etsy

WARBY PARKER

noom

Tommy John

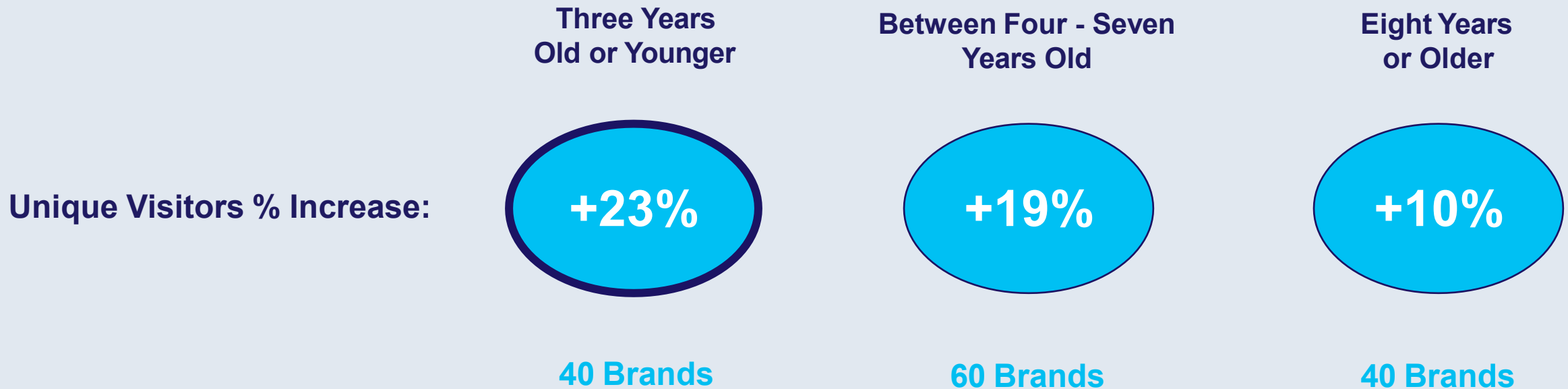
+ 34 Others

140 Direct to Consumer Brands

Direct to Consumer Brands Across All Life Stages Saw **an Immediate, Double-Digit Increase** in Website Traffic During TV Launch Month; Younger Brands Saw the Largest Lifts

DTC Brands: TV Launch Month vs. Three-Month Average Prior To TV

Average Website Unique Visitors



Sustained Presence on TV Drives Website Visits; Younger Brands Saw **Even Greater Lifts**

DTC Brands: 'When On TV' Monthly Average vs. Three-Month Average Prior To TV
Average Website Unique Visitors

Three Years
Old or Younger

+138%

Between Four – Seven
Years Old

+72%

Eight Years
or Older

+23%

Average Monthly
Unique Visitors % increase:

Average Monthly
Unique Visitors increase:

+811K

+1,383K

+803K

New-to-TV Advertisers

Less than 20 Years Old:



+ 21 Others

Over 20 Years Old:



+ 21 Others

50 Non-Direct to Consumer Brands

Non-DTC Brands Across Each Life Stage Saw **Double-Digit Increases** at Launch

Non-DTC Brands: TV Launch Month vs. Three-Month Average Prior To TV
Average Website Unique Visitors

Unique Visitors % increase:

Under Twenty
Years Old

+15%

25 Brands

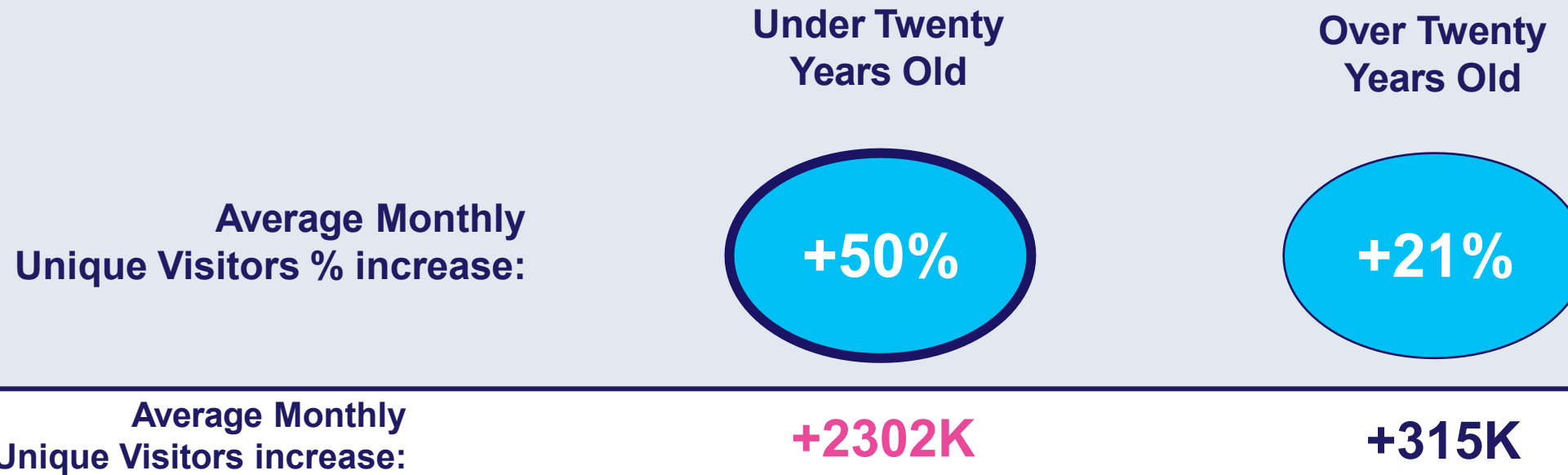
Over Twenty
Years Old

+12%

25 Brands

For the Non-DTCs: Earlier TV Advertisers Saw Better Results

Non-DTC Brands: 'When On TV' Monthly Average vs. Three-Month Average Prior To TV



TV Drives Outcomes at every Brand Life Stage

- 1 Beginning TV *early* in a brand's history creates a sustainable advantage
- 2 No brand is too young to benefit from TV. DTC and non-DTC brands across all life stages see an immediate double-digit increase in website traffic at launch
- 3 Younger brands see the largest impact from a sustained presence on TV
- 4 Younger brands spend aggressively and advertise more consistently on TV...to establish their name, build reputation, develop positive perceptions and grow share
- 5 Many brands that implement Test & Learn on TV see results that justify big boosts to their TV ad budgets to drive even greater business outcomes

tv's winning formula

- 1** TV dominates time spent with media
- 2** TV ads produce the biggest impact
- 3** TV improves the performance of online advertising
- 4** TV works @ both ends of the funnel
- 5** TV delivers the strongest ROI of all media

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