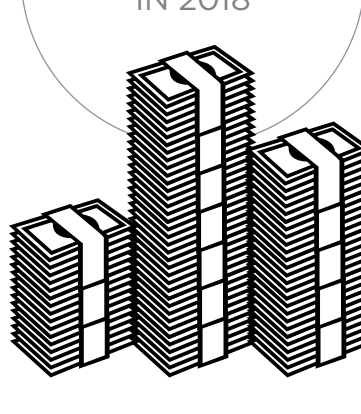


AN ADVERTISER'S ROADMAP FOR THE NEW TV LANDSCAPE

TV has undergone dramatic transformation over the past 20 years. Consumers have unprecedented access to a proliferation of content. Advertisers have unprecedented access to new sources of data. Combined, these two trends have shaped The New TV landscape. Navigating this new terrain requires a new roadmap to achieve optimal advertising results.

MORE NEW CONTENT THAN EVER BEFORE

It's been called "Peak TV." In 2018, producers invested \$67 billion on new content (MoffettNathanson Research 2018 Forecast for Production/Program Spending), and the number of scripted shows approached 500. Comcast Spotlight estimates that it would take a full year of 24/7 viewing to watch all the new shows produced in 2018.



COMCAST SPOTLIGHT'S TIMELINE OF THE NEW TV'S EVOLUTION

HERE IS OUR TAKE ON THE INDUSTRY CHANGES THAT SHAPED THE NEW TV

Phase I — 1999-2007: The Sopranos Era

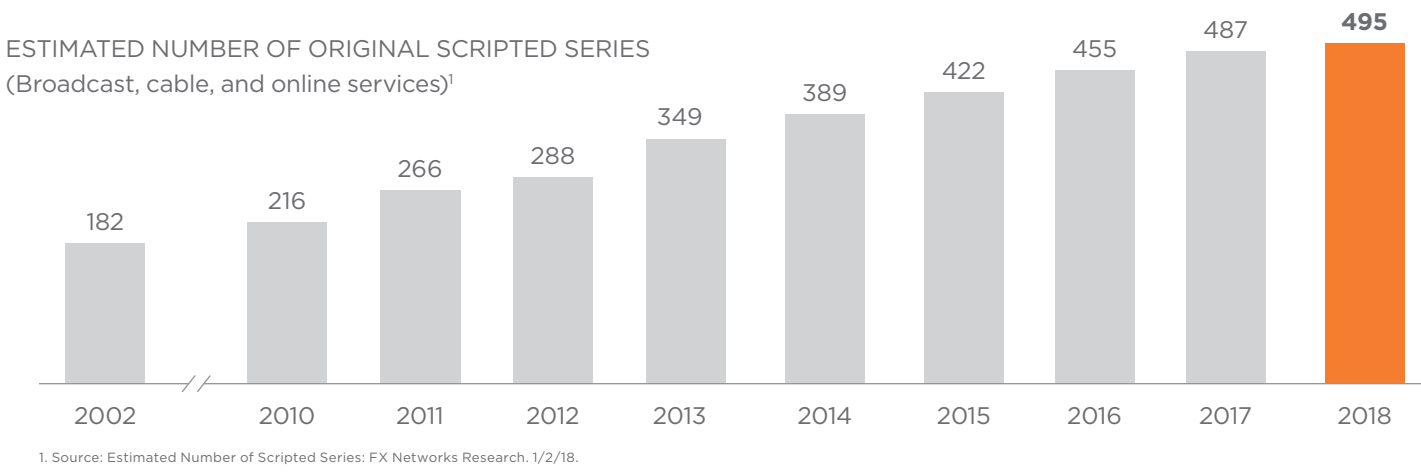
In 1999, The New TV emerged with *The Sopranos*, introducing the richness of character, great writing, violence and sex of feature films to TV. It also paved the way for shows like *Sex & the City*, *The Wire* and *Dexter*. Most of these shows appeared on **premium content networks**, protected by a paywall.

Phase II — 2007-2012: The Mad Men Era

In the summer of 2007, The New TV entered its second phase with the launch of *Mad Men* on AMC. Shows like *Breaking Bad* and *The Walking Dead* followed, bringing the quality and sophistication of this new programming to advertising-supporting basic cable channels.

Phase III — 2013-2018: House of Cards to This is Us

The subscription video on demand (SVOD) content producers, including Netflix, entered the scene in a big way in 2013 launching *The House of Cards*, followed by *Orange Is the New Black*, *Transparent*, and others. These SVODs upped the competition and pushed investment in innovative content across the board, including network shows like NBC's *This is Us*, or USA's *Mr. Robot*.



GREATER ACCESS THAN EVER BEFORE

In addition to the amount of new content, changes in distribution channels and access are changing consumers' viewing behavior. The New TV encompasses linear TV, OTT, and all the other acronyms: TVE, VOD, SVOD, AVOD, IP Video, and the rest.*

*OTT = Over-the-Top; TVE = TV Everywhere; VOD= Video On Demand; SVOD=Subscription Video On Demand; AVOD=Ad-based Video On Demand; IP Video= Internet Protocol, primarily streaming over connected devices.

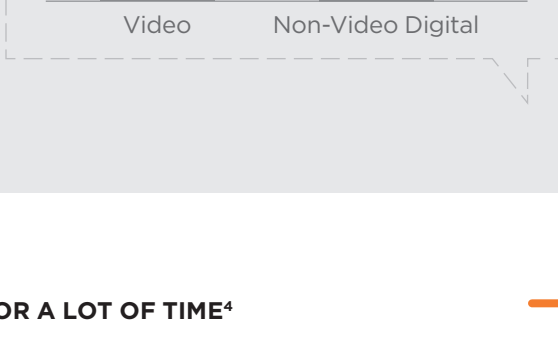


CHANGES IN CONTENT AND ACCESS = CHANGES IN VIEWING BEHAVIOR

Changes in access to content take away the restrictions of linear viewing. This has led to the phenomenon of binge viewing. What are we watching? In addition to the deluge of new programming, viewers can also access shows from TV past, making choices even more robust.

All of these changes add up to more time spent viewing The New TV. In fact, despite myths of TV's demise, households spend 43 minutes more with TV daily than in 1983.²

² Source: Nielsen Average Daily TV Viewing Hours: Minutes.
³ Source: Nielsen Total Audience Report Q2 2018, daily time spent with video.



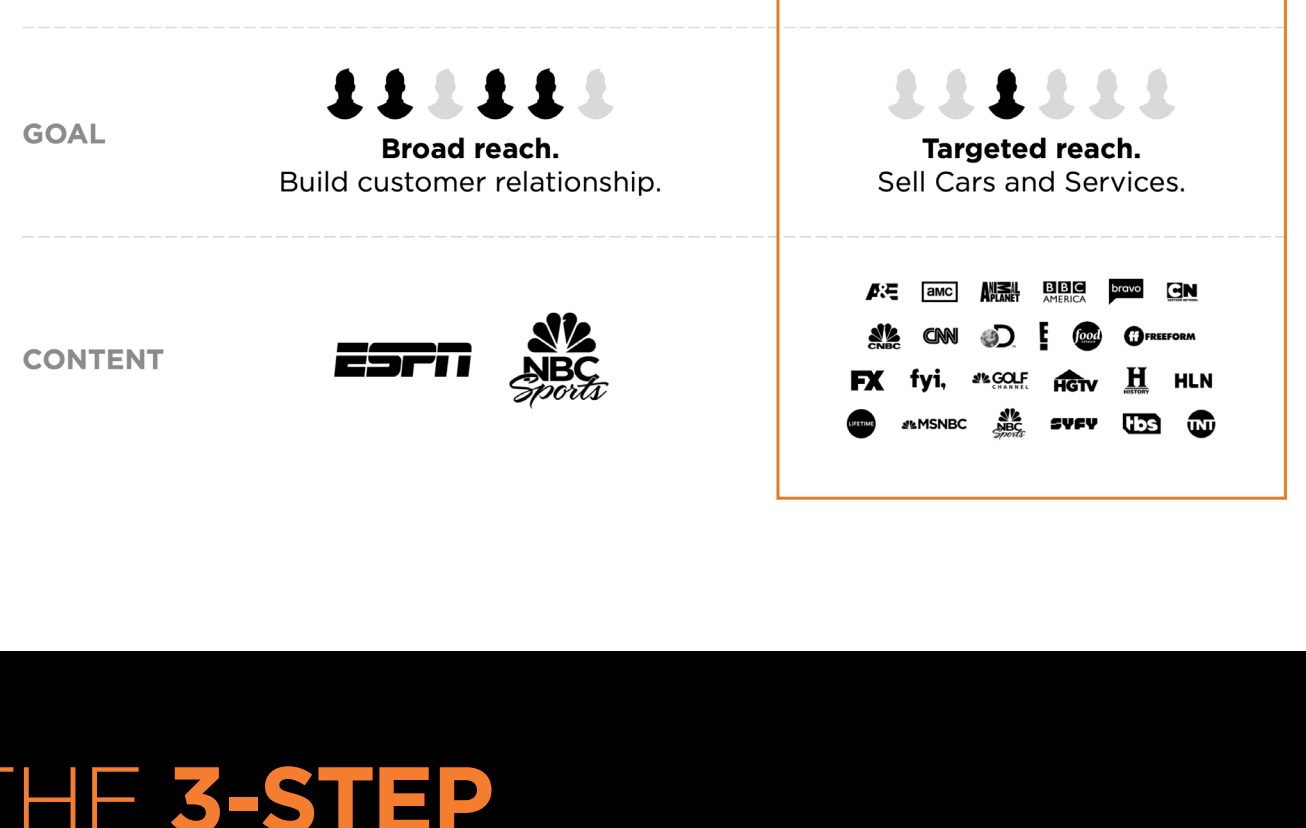
VIDEO REACHES A LOT OF PEOPLE, FOR A LOT OF TIME⁴

- 23%** Of adults watch video on a **Tablet** weekly. Over 2 hours per week.
- 27%** Of adults watch video on a **PC** weekly. Over 2 hours per week.
- 50%** Of adults watch video through **Connected Devices** weekly. Over 9 hours per week.
- 60%** Of adults watch video on **smartphone** weekly. Over 2 hours per week.
- 91%** Of adults watch **TV/video** weekly. Over 35 hours per week.

⁴ Source: Nielsen Total Audience Report Q2 2018.

DATA ENABLES NEW RELATIONSHIP TO AUDIENCE

Data has created a new value proposition for TV advertising. With the data now available, marketers don't need to stick to a broad age and gender target. Content and broad appeal programming will continue to drive awareness, as always. But now, by using data to reach the most likely customers, these targeted campaigns can be used to build consideration and intent, rendering TV a full funnel solution.



THE 3-STEP PATH TO SUCCESS

Comcast Spotlight has worked with many clients to identify ways to transform advertising campaigns to align with the principles of The New TV. This path includes three major steps, outlined below, and illustrated with real-world learnings from our ongoing work with clients testing The New TV strategies.

1 TRANSLATE KNOWLEDGE INTO DATA

Consumers' viewing patterns of The New TV are becoming more individualized. Standard age and gender targeting still builds awareness, but using data to uncover deeper consumer insights will augment these results.

Generally, a business' customers can be broken into segments, each with different viewing preferences. Robust data allows an advertiser to understand these network and daypart preferences to maximize reach.

⁵ Source: Comcast Internal Data, Jun 2018. Client-provided customer data; Comcast residential subscribing households, a subset of the full footprint interconnect.

TURNING KNOWLEDGE INTO DATA⁵

Client: PIZZA SHOP, Portland, OR

Segment A: CEO OF FOOD, Women 35-54 with presence of children age 4+

Segment B: SPORTS FANS, Adults showing interest in general sports

Segment C: "OTHER" PIZZA DINERS, Males 18-44 with HHI less than \$50K

2 FOLLOW DATA TO TAKE ADVANTAGE OF ALL PREMIUM CONTENT

Tactics that have proven to maximize advertiser's reach include using a broader mix of networks, running schedules over a longer period of time and using complementary video formats.

⁶ Source: Comcast Internal Data, March 2018. Target Segments are based on Comcast Only Residential Subscribing Households, [March, 2018], appended with Experian data, [2018].

Run Broad and Deep: More Networks = More Reach

Run Long: Reach continues to build each week through Week 15s

Add Different Formats: Linear TV campaigns that added premium digital video to the mix increased reach by an incremental 17%.⁶

Format	Linear	VOD
Percentage	75%	17%

3 MAKE TV AS ACCOUNTABLE AS DIGITAL—OR MORE

Exposure to TV can now be tied to tangible outcomes, including online activity. Comcast Spotlight's attribution studies allow an advertiser to measure website traffic before and after a TV flight, including lift in visitors within 30 minutes of its ads airing and during the course of the campaign.

⁷ Source: Instant IMPACT powered by Internal Viewshipip Data, Q2 2018. Comparison of metrics before and after campaign flight for single client.

WEBSITE ATTRIBUTION⁷

Metric	Immediate Visitors	Visits
Change	+10%	+19%

Product Page Conversion: 86%

SUCCESS ACHIEVE BETTER RESULTS WITH THE NEW TV

The New TV is about new viewing experiences for consumers that are following in big changes—and big opportunities—for advertisers. Marketers who follow these steps are achieving better results in The New TV world—one that continues to evolve, deliver, and delight.