Das missverständlichste Chart der Werbewelt?
Ende der Symbiose von Massenmarken und Massenmedien
Werbewachstum niedriger als Wirtschaftswachstum

Ad spend is getting decoupled from wider economic growth

Ad spend CAGR 2016-2021

Source: corporate filings, local industry bodies, GroupM IAB Europe, own calculations. Paid-media only.
Marken fahren Werbeausgaben zurück

A & P spend/revenue for top global advertisers
CMO muss die Sprache des CFO sprechen: Werbe-Erfolg wird anders definiert

“Does your marketing organization have its own P&L to capture revenue?”

- 45%: Yes, has own P&L
- 33%: No, and no plans to add within next 24 months
- 14%: No, but plan to in the next 24 months
- 9%: Yes, but shares P&L with other business units

Source: Gartner, n = 348
Programmatic ist der neue Standard
Digitale Werbespendings laufen vornehmlich über Daten & Automatisierung

Share of Digital Ad Spend in Europe by Transaction Mechanism

- 2013:
  - Programmatic: 20,0%
  - Non-programmatic: 80,0%

- 2018:
  - Programmatic: 27,9%
  - Non-programmatic: 72,1%
Video-Werbung: Über 50% der Ausgaben sind programmatisch

Europe: Digital Video Ad Spend by Transaction Model (EURm)

Note: includes in-stream, out-stream and in-feed video
Datenwert > Mediawert?

Advertising Spend Structure By Medium in 2018

Traditional Media

Digital Media

*all agency production & service costs including shoot, talent, creation, advisory, planning, measurement, optimization
Digitalierungslogik kehrt sich um
Geräte-Wachstum kommt aus dem Wohnzimmer, nicht über das Smartphone

Source: IHS Markit
Channel 4: plötzlich ‘OTT-first’

OTT+ Usage (share of total consumption)

2016

~10-15%

2018

~55-60%*

*for some shows, e.g. British Bake-Off
Roku: Indikator für die Streaming-Explosion

Source: Roku letter to shareholders, Q4 2018
“[...] SVOD is still a huge question mark for us. We are putting together our budget forecast for the next five years on what SVOD growth might be, and we’re being very conservative on what that growth looks like after next year. With AVOD, though, it feels like there’s a much cleaner path of growth.”

- US TV Executive-
Trad. Free-TV: Finanzanalysten sind skeptisch
Negativtrend in allen ‘Big 5’-Märkten

Trad. linear TV NAR growth (YoY)

Source: GroupM & local trade bodies, own forecasts based on econometric analysis & media buyer interviews
‘Big 5’: Lineare TV-Werbung verliert €2Mrd.
Werbung im ‘Next TV’: Über was sprechen wir eigentlich?

(Broadcaster) AVOD

Uses cable and satellite infrastructure to deliver household addressable ads via set-top boxes. Each household watching the same program will see different ads.

Addressable TV

Form of traditional television advertising with a data-driven slant. Certain TV ad slots are made available for programmatic purchase, which are carried out by DSPs.

Programmatic TV

Uses data, science and software to optimise campaigns on an audience basis, to reach specific types of people or to drive particular outcomes.

Data-driven linear TV

Delivers digital ads into apps or streams on TVs connected to the Internet, ranging from banners in EPGs over YouTube videos or inventory on premium programmers’ content through streaming devices (e.g. Amazon Fire, Smart TVs).

Connected TV
Connected TV: Standards, Infrastruktur treiben Marktpotential

NAR on CTV advertising (€m)

<table>
<thead>
<tr>
<th>Country</th>
<th>2018</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>140</td>
<td>300</td>
</tr>
<tr>
<td>France</td>
<td>55</td>
<td>240</td>
</tr>
<tr>
<td>Germany</td>
<td>75</td>
<td>135</td>
</tr>
<tr>
<td>Spain</td>
<td>45</td>
<td>110</td>
</tr>
<tr>
<td>Italy</td>
<td>12</td>
<td>98</td>
</tr>
</tbody>
</table>

Source: calculations based on MTM/SpotX
Was hält den Massenmarkt (noch) zurück?

- Sales strategies are immature
- Inventory is fragmented across different services & hard to aggregate
- Lack of clarity about the scale & value of available inventory
- Data availability & quality

Sample inventory specifications

Source: The TradeDesk
Welche Player gewinnen?
Inhalte strategisch wichtig
Smart TV-Hersteller wollen neue Gatekeeper sein
Silicon-Valley-Plattformen werden deutlichen Anteil an der neuen TV-Welt haben

Europe: share of total TV ad revenues

- Platforms will take ~1/4 of total TV ad spend in next 5 years
- In ‘advanced TV’, their share may amount to 33%-50%
- DMAs, Apps, content, buying infrastructure will drive their share

Source: local trade bodies, GroupM, company filings, modelled data
Amazons nächste Innovationsphase zielt auch auf TV

Amazon’s Global Advertising Revenue ($bn)

Source: corporate filings, own calculations
Potentiale durch 2 Monetarisierungswege

ARPU equivalent per subscriber / device / active user / account (reach)

ARPU ($) per year

Reach (bn)

Technology & bundles
Content & advertising

US satellite
AT&T
Amazon
Global pay TV
Apple
Netflix
Disney
Discovery
Fox
YouTube
Facebook

ARPU
Reach
‘Addressable’ hat nun Reichweite in UK nach strategischem Deal

2014
Household Addressable: 1st party & 3rd party (Experian)

2017
First free-to-air partner

2019
Expansion to 100+ channels & 30m targetable TV viewers, 40% of UK population

2019
True scale through major free-to-air broadcaster media planers can’t go without
Neue Marken brauchen andere TV-Denkweise

Europe: Number of DTC companies per Category

Source: Webcrawl & semantic analysis for IAB Europe
UK: TV-Neukunden nutzen die Möglichkeiten

More than
1,000
Companies have used TV for the first time because of AdSmart

75%
NEW
Are new to TV or Sky

Quelle: Sky
‘Tech Lash’ verhindern durch nachhaltige Innovation
TV: Vorteil in digitaler Messkrise

Ad impressions in ‘000s by KPI

<table>
<thead>
<tr>
<th>Default reporting metrics</th>
<th>What drives brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impressions</td>
<td>YouTube</td>
</tr>
<tr>
<td>Valid &amp; Viewable</td>
<td>2.072</td>
</tr>
<tr>
<td>Audible &amp; Reached 1/4</td>
<td>1.795</td>
</tr>
<tr>
<td>Audible &amp; Reached 1/2</td>
<td>933</td>
</tr>
<tr>
<td>Audible &amp; Completed</td>
<td>617</td>
</tr>
<tr>
<td></td>
<td>237</td>
</tr>
</tbody>
</table>

Source: Ebiquity
Krise der digitalen Werbung: Risiko durch Intermediäre
Wachstum braucht Klarheit

WE NEED SOME NEW JARGON, THE PUBLIC ARE STARTING TO UNDERSTAND WHAT WE'RE TALKING ABOUT!