

TVAI

U.S. TELEVISION AUDIENCE INDEX
Viewership trends in linear TV and OTT

July 2020

alphonso 
The TV Data Company

Introduction

Now four months into the pandemic here in the U.S., TV has remained a more central part of our daily lives – a primary means of both information and entertainment, of both knowledge and escape.

The viewing patterns we weave as circumstances change, only to change again, are mapped here through the lens of 15 million U.S. smart TV households that are part of the Alphonso TV audience data footprint. Alphonso Video AI powers granular, actionable TV data and measurement for brands, and is deployed across many different smart TVs and connected TV devices globally.

The following charts track TV viewership using an index based on the pre-pandemic weekly average for January and February of 2020 as the baseline. For more details, reach out to us at info@alphonso.tv.

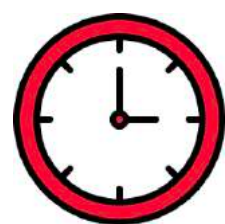


Key TV Audience Trends

1H 2020

Primetime Viewership

Alphonso is working in partnership with Variety and its Variety Intelligence Platform (VIP+), along with other leaders in the TV analytics industry, to define and document the historic changes in viewing patterns brought about by the Covid-19 crisis. This excerpt from its just-published Covid-19 Industry Impact Report shows how primetime viewing differs across broadcast and cable formats, and the impact on cable sports in particular.

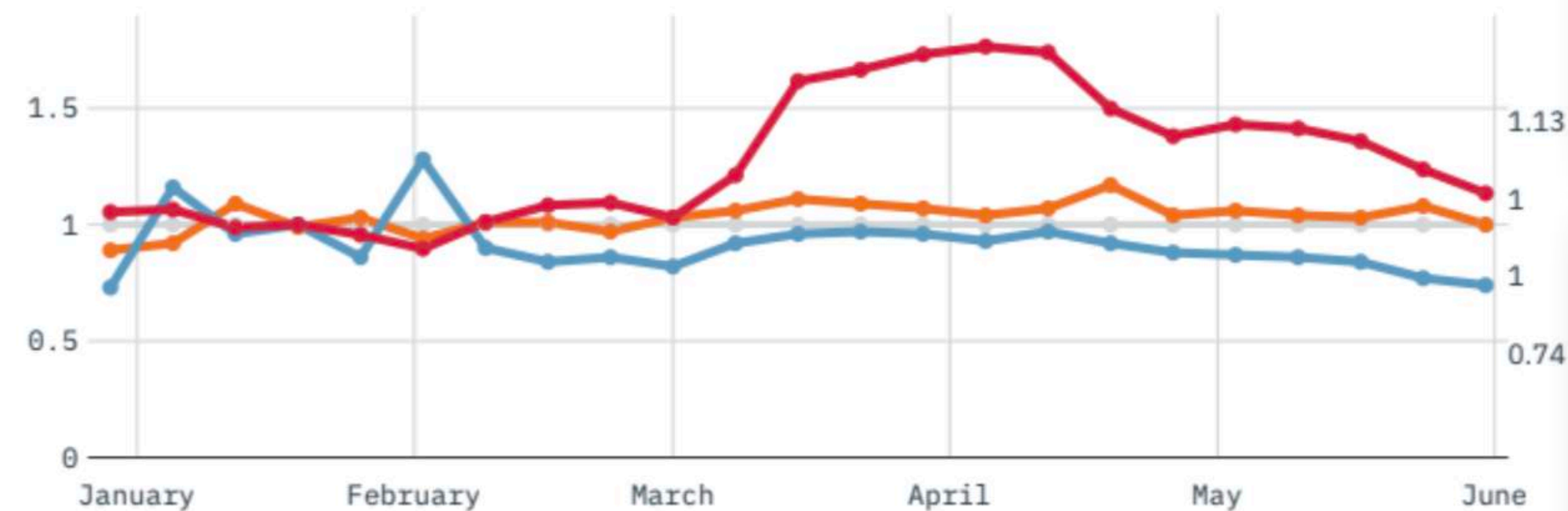


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Weekly Total Time Spent Viewing Primetime

Index based on total time spent watching in U.S.

— Primetime Broadcast — Primetime Cable — Primetime OTT/VOD — Index



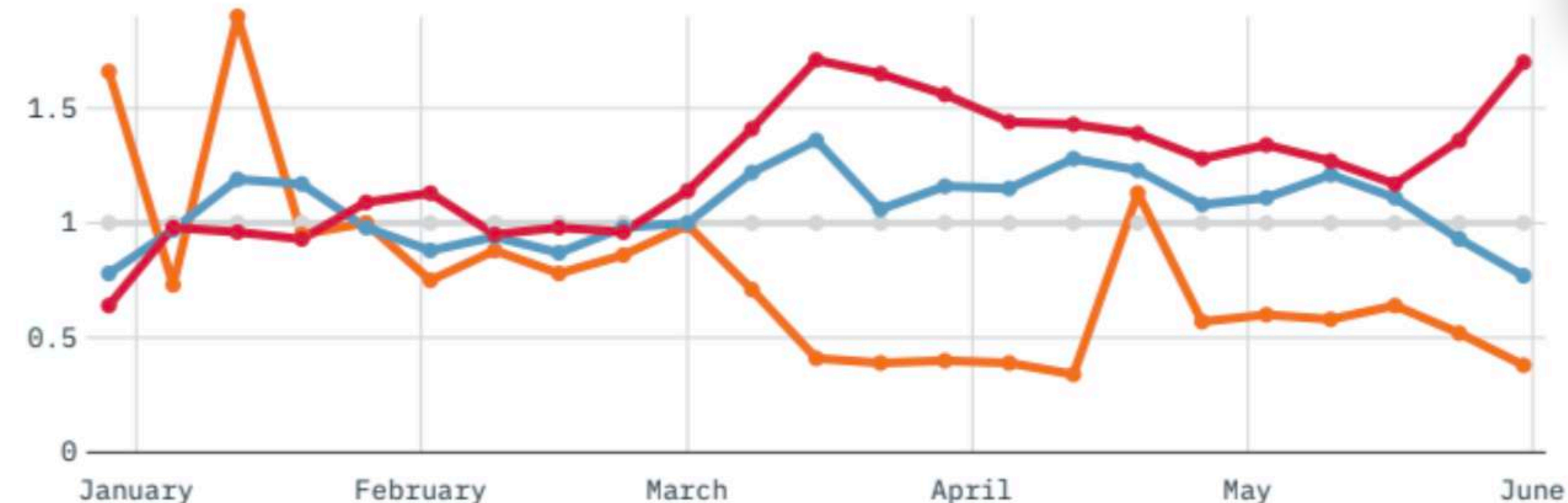
SOURCE: ALPHONSO.TV

OTT/VOD DOES NOT INCLUDE NETFLIX. INDEX = 1.00 IS THE AVERAGE VALUE FOR THE METRIC ACROSS JAN-FEB 2020

Weekly Total Time Spent Viewing Primetime Cable Formats

Index based on total time spent watching in U.S.

— Cable News — Cable Sports — Premium Cable — Index



SOURCE: ALPHONSO.TV

INDEX = 1.00 IS THE AVERAGE VALUE FOR THE METRIC ACROSS JAN-FEB 2020

VIP+ VARIETY INTELLIGENCE PLATFORM

VARIETY VIP+ VARIETY INTELLIGENCE PLATFORM

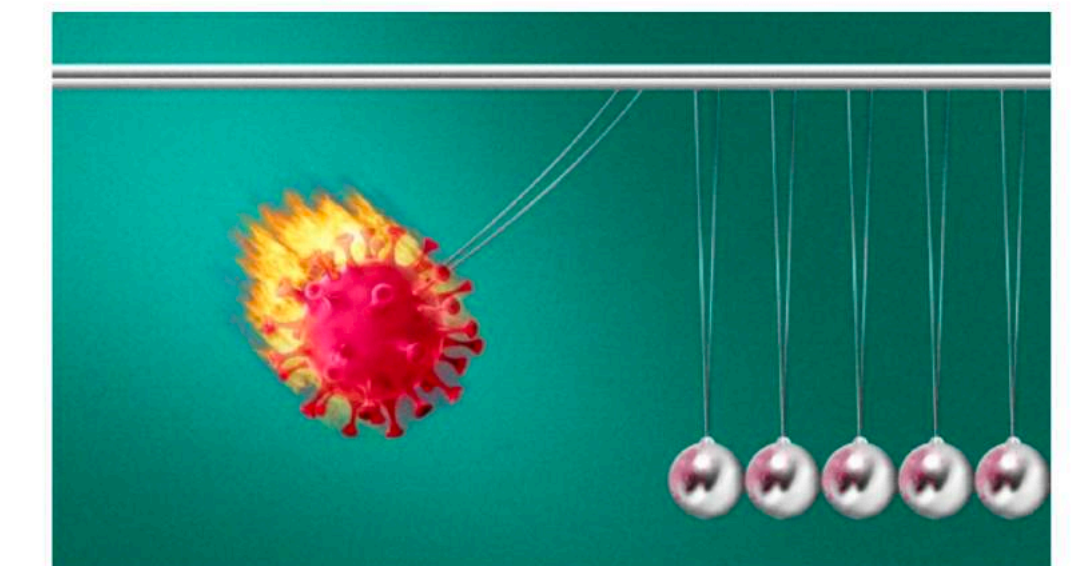
VIP+ SPECIAL REPORT

JULY 1, 2020 7:30AM PT

INDUSTRY IMPACT REPORT: THE TOLL COVID-19 HAS TAKEN

By Andrew Wallenstein

f t p e +



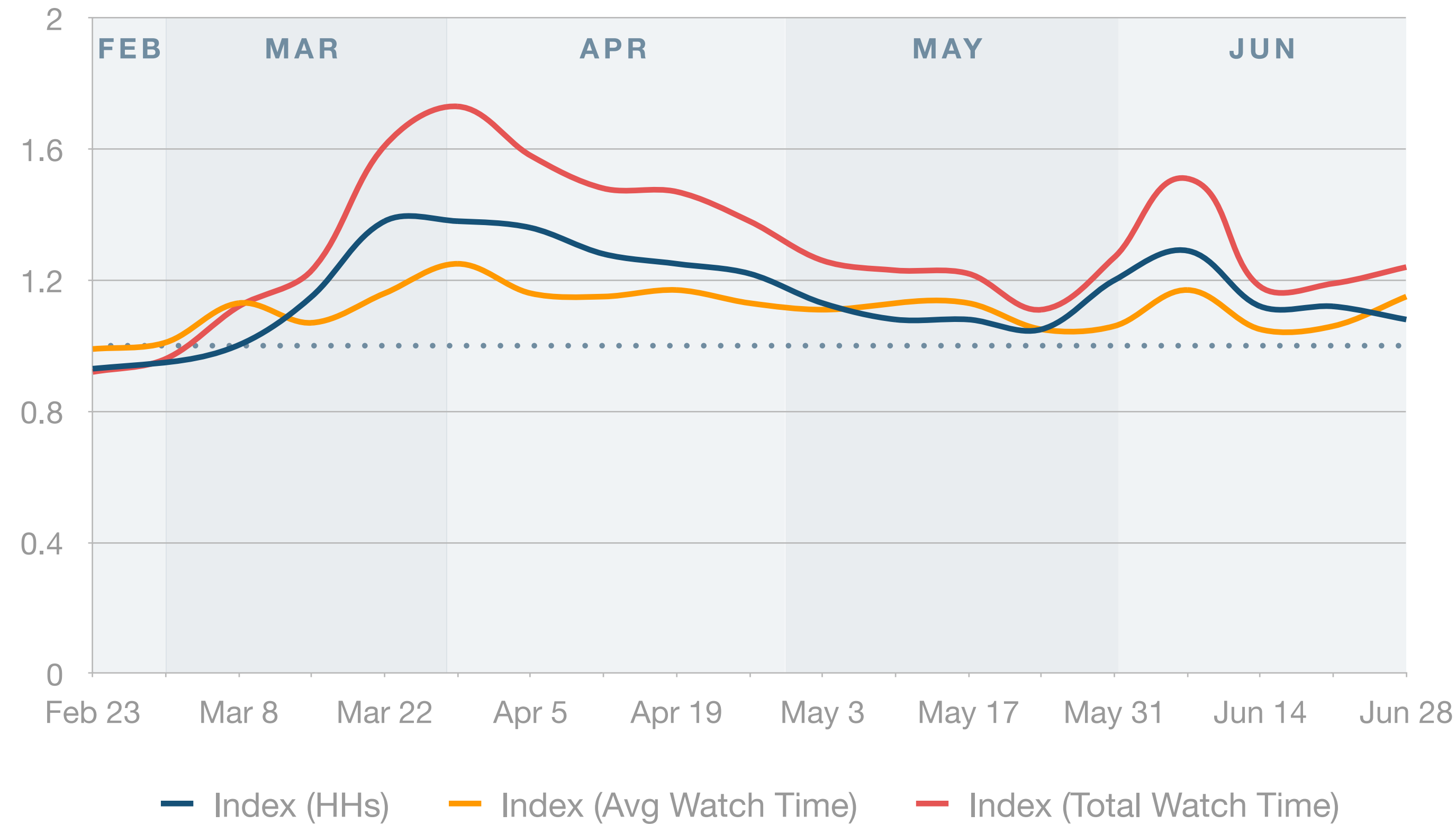
1H 2020

Cable News

Our internal analysis goes into further detail: Cable news viewership hit its peak in mid-March, as measured by the increase in households reached. While cable news just logged a record-breaking quarter in ratings for Q2, viewership has not returned to its mid-March weekly average peak since news of shelter-in-place orders for many U.S. states first broke. At the end of June, cable news remained up 8% over the average.



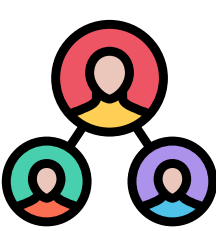
Cable News Audience Index



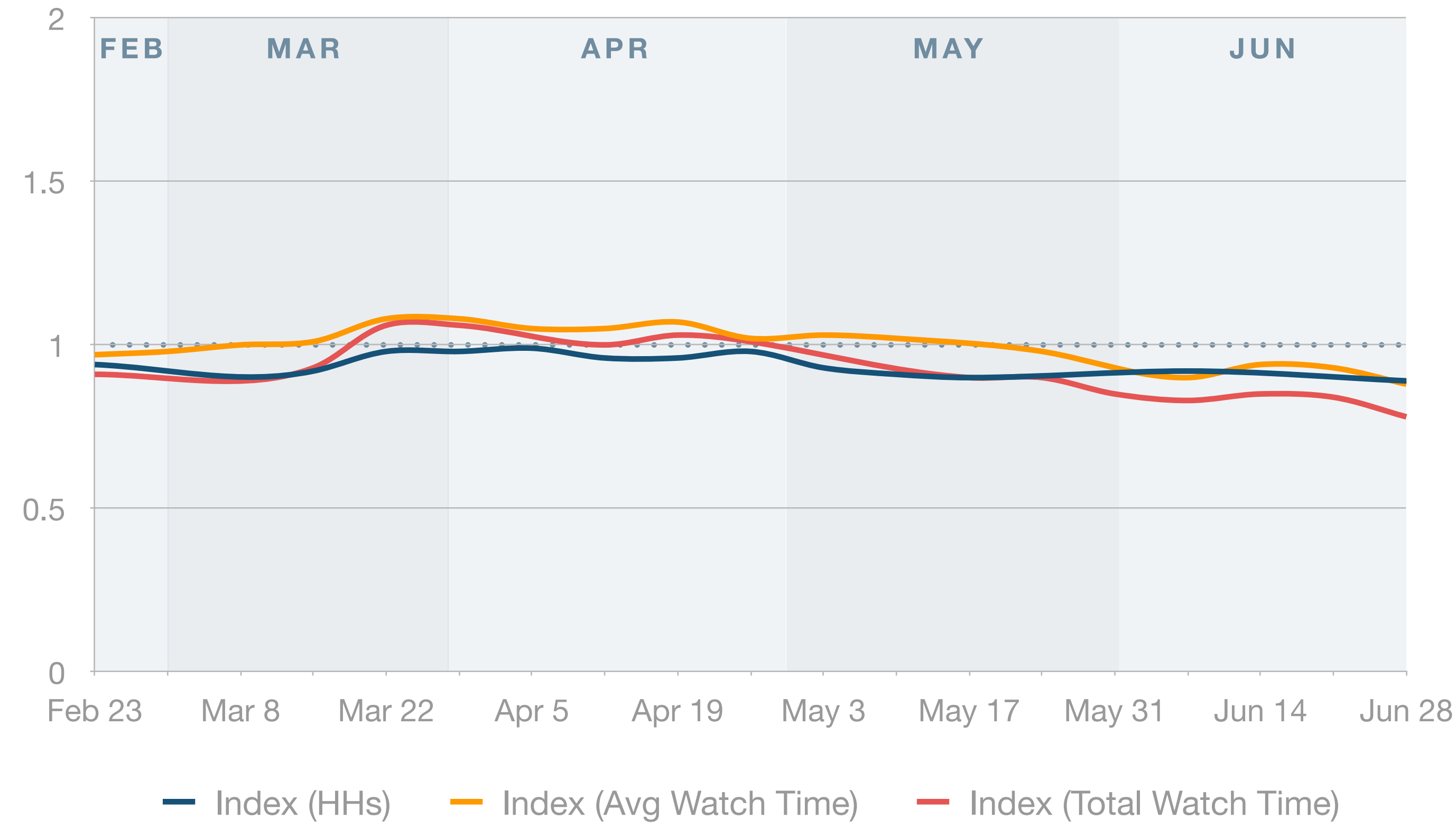
1H 2020

Broadcast Networks

Despite a lack of live sports, and with hundreds of programs interrupted and major TV events canceled or postponed, broadcast television held on until May, when it finally dipped below pre-pandemic levels. At the end of June, the major English- and Spanish-language networks combined reached 11% fewer households compared to the Jan / Feb average.



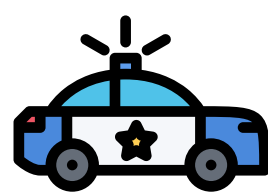
Broadcast Network Audience Index



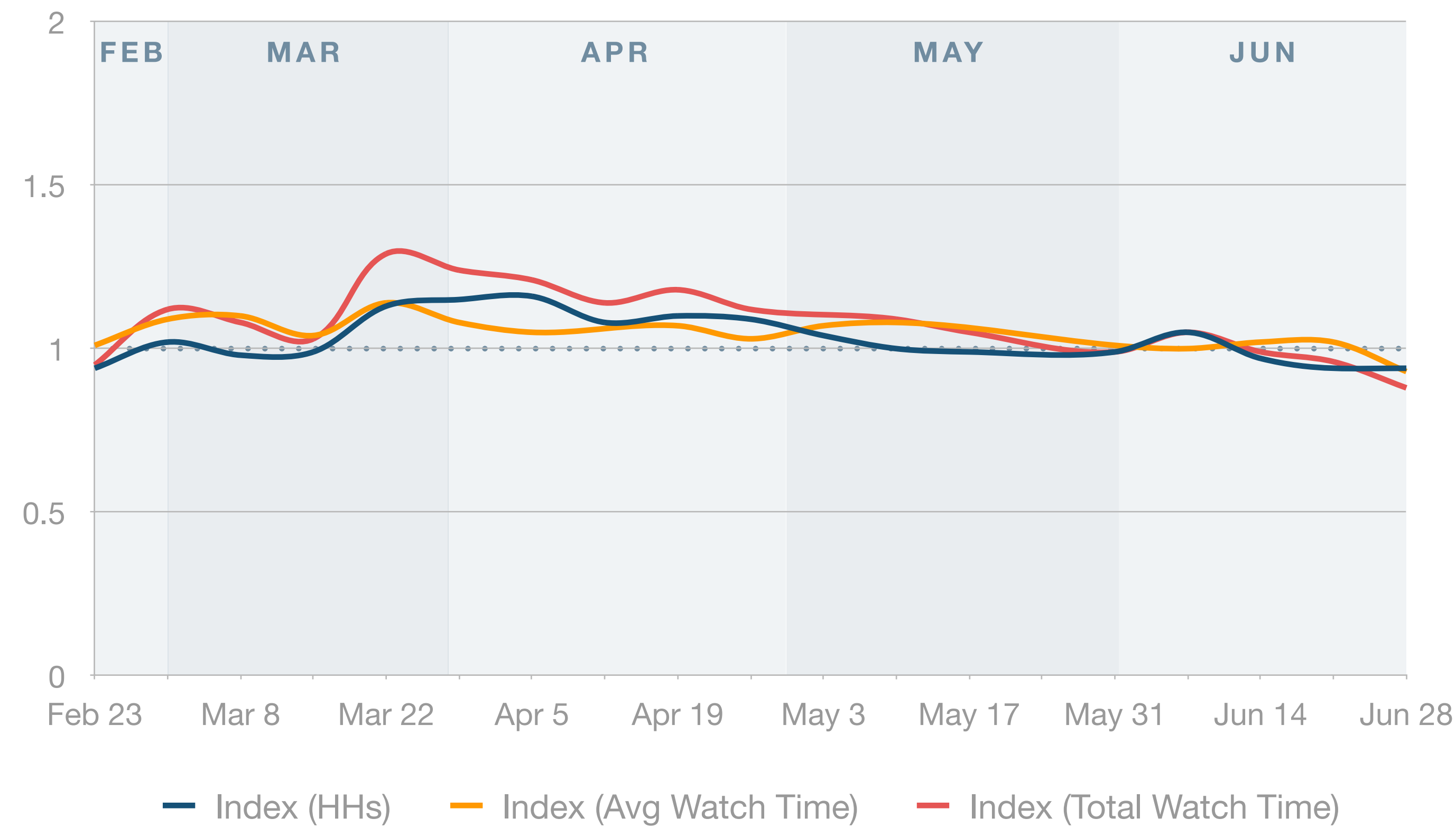
1H 2020

Local News

Local news broadcasts initially followed a trend similar to cable news as the pandemic first broke in the U.S., gaining 16% in household reach during March. Unlike national cable news, local news has not held on to the increase, closing June with a 6% drop in household reach.



Local News Audience Index



1H 2020

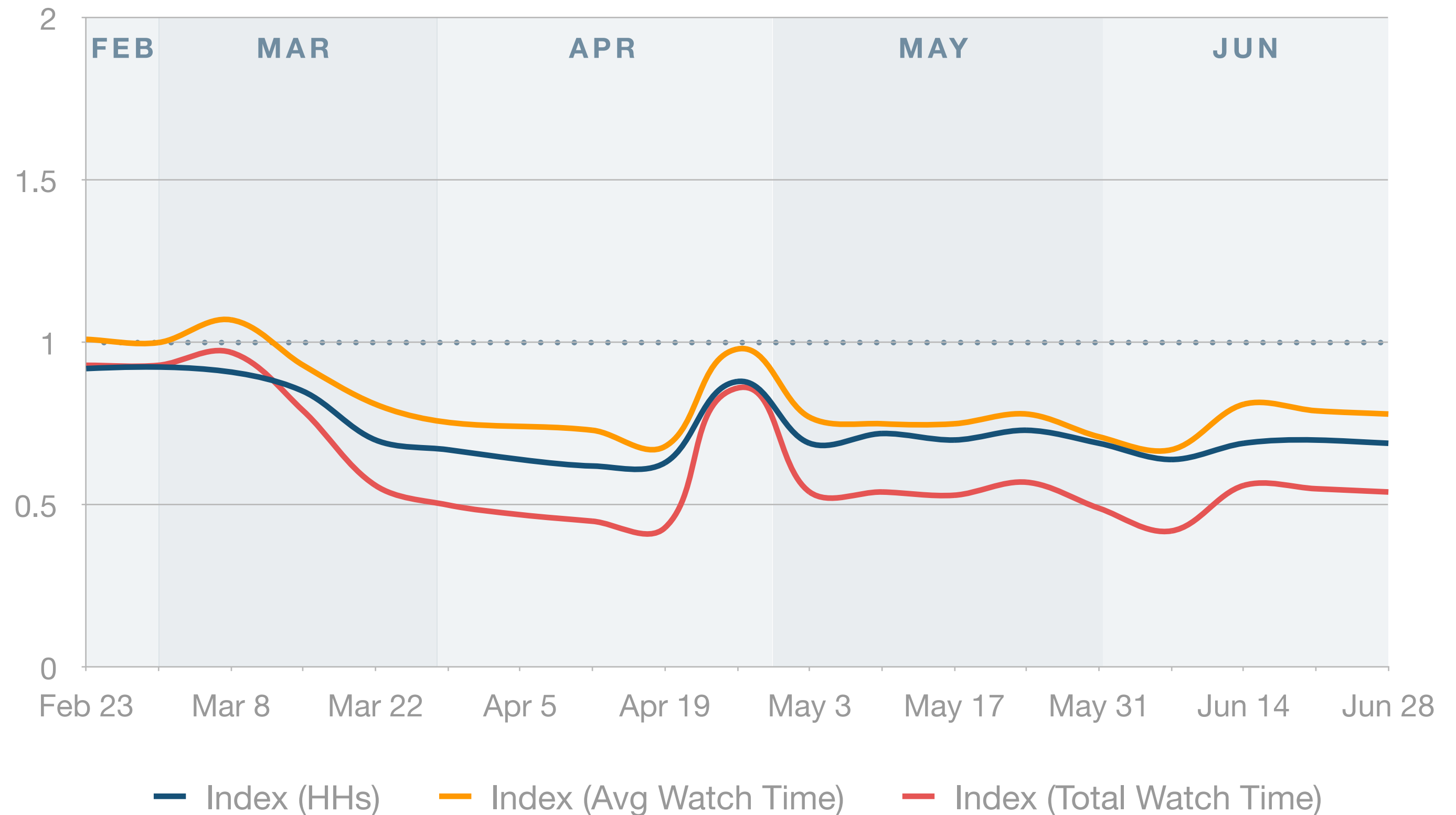
Cable Sports

The cancelation or postponement of major sports was too much for the cable sports networks to overcome, as creative as they were at programming alternative sporting events like Korean Baseball and iRacing. ESPN's *The Last Dance* was the only bright spot on the trend line during the first half of the year, bringing viewership levels close to pre-pandemic status in late April, but not quite. June saw an upward tick as racing, boxing, and golf returned in some fashion, with Major League Baseball on the near horizon.



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Cable Sports Audience Index



ESPN ESPN 2 NBCSN CBS SPORTS



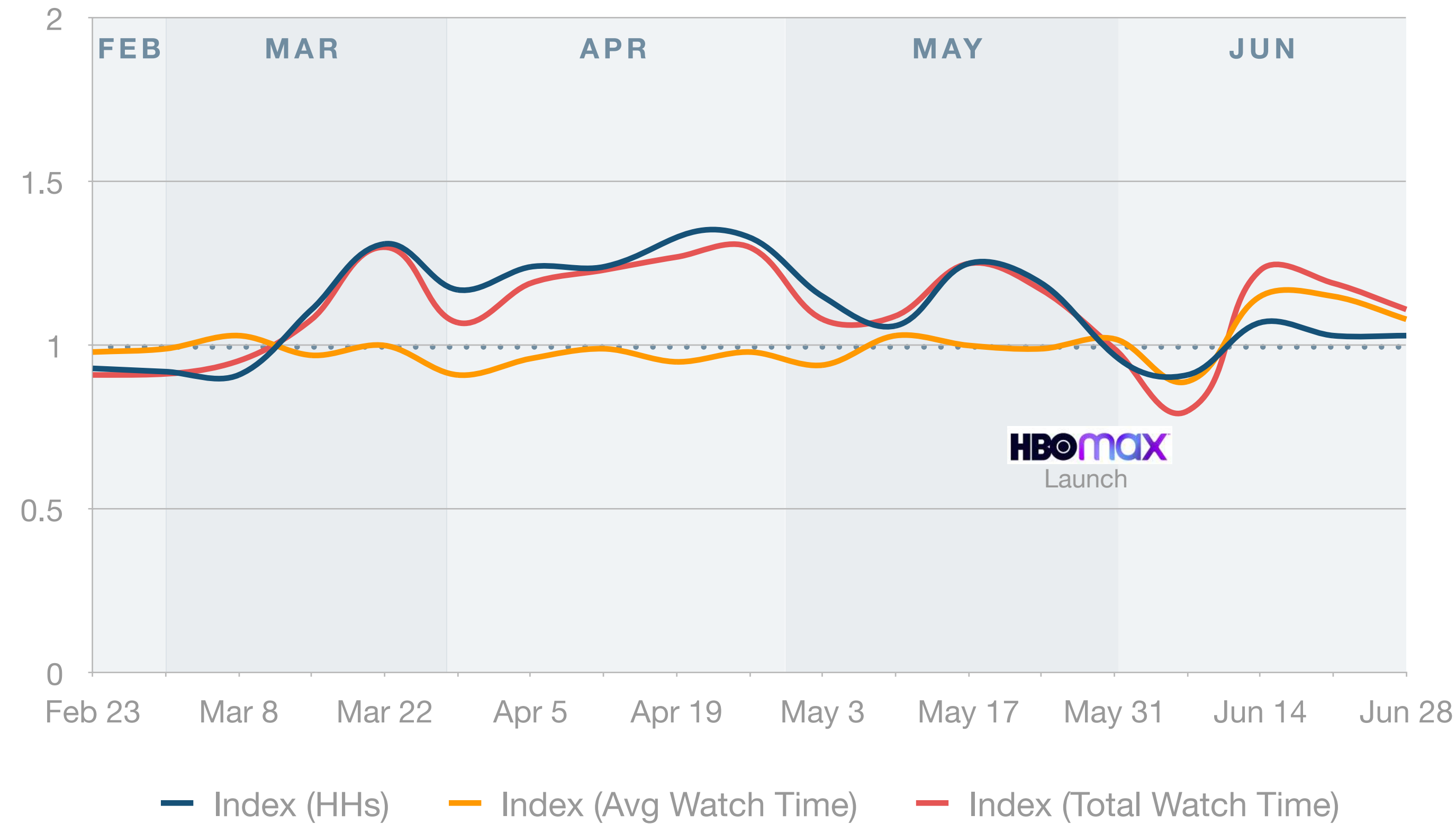
1H 2020

Premium Cable

Across premium Pay TV channels like HBO, Showtime, STARZ, and others, unique household reach increased up to 33% in April, hovering in that range throughout May before dropping down as some states began to re-open. As quickly as some re-openings backfired, premium cable viewership rebounded as measured in total time watched. During the last two weeks of June, total time watched went up to 23% over the Jan / Feb average.



Premium Cable Audience Index



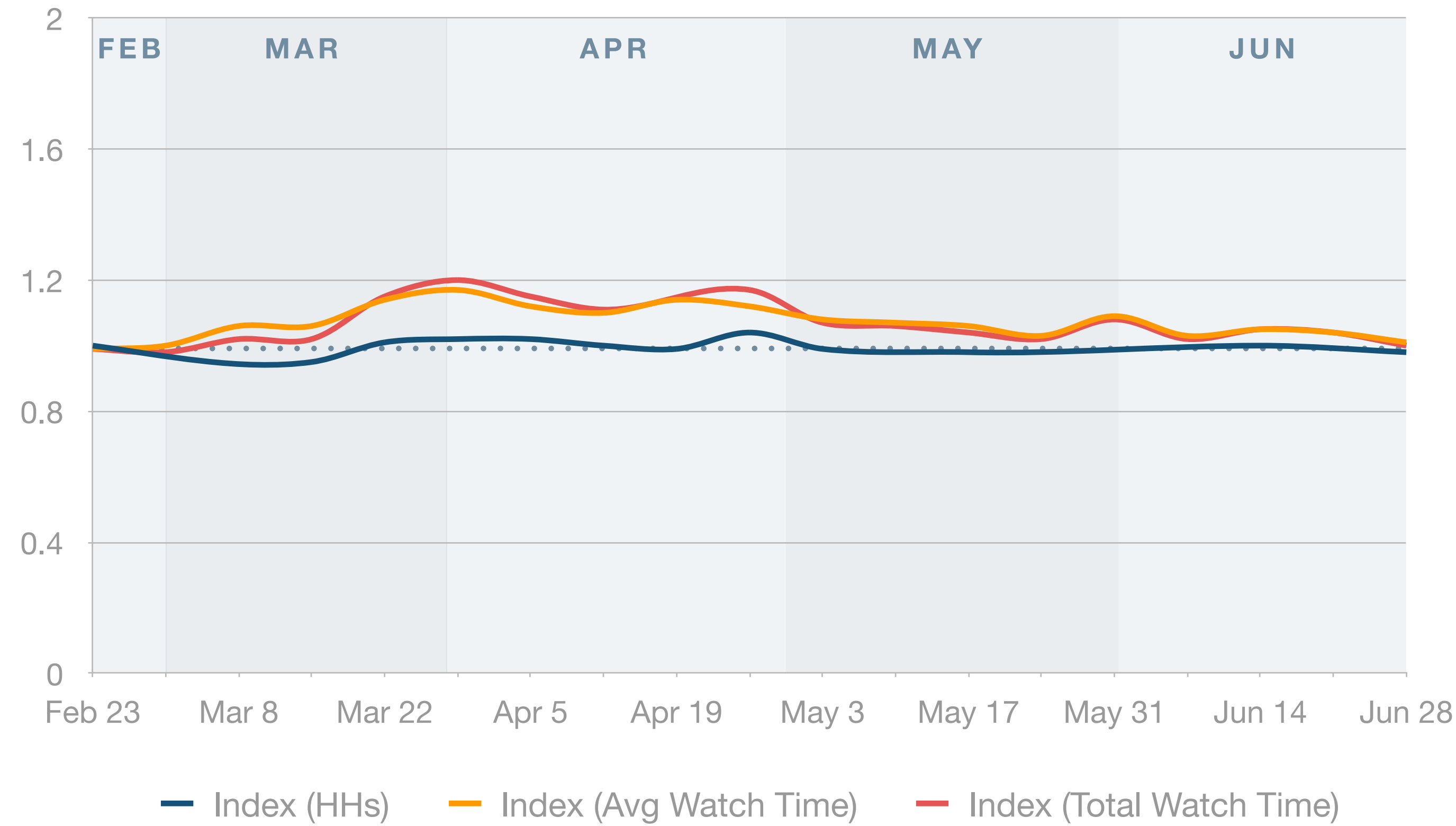
1H 2020

Basic Cable

Basic cable has remained mostly flat in terms of households reached throughout the pandemic so far. While there have been upticks in time watched, primarily in March and April, basic cable hasn't seen the same growth as other categories; nor has it seen any declines.



Basic Cable Audience Index



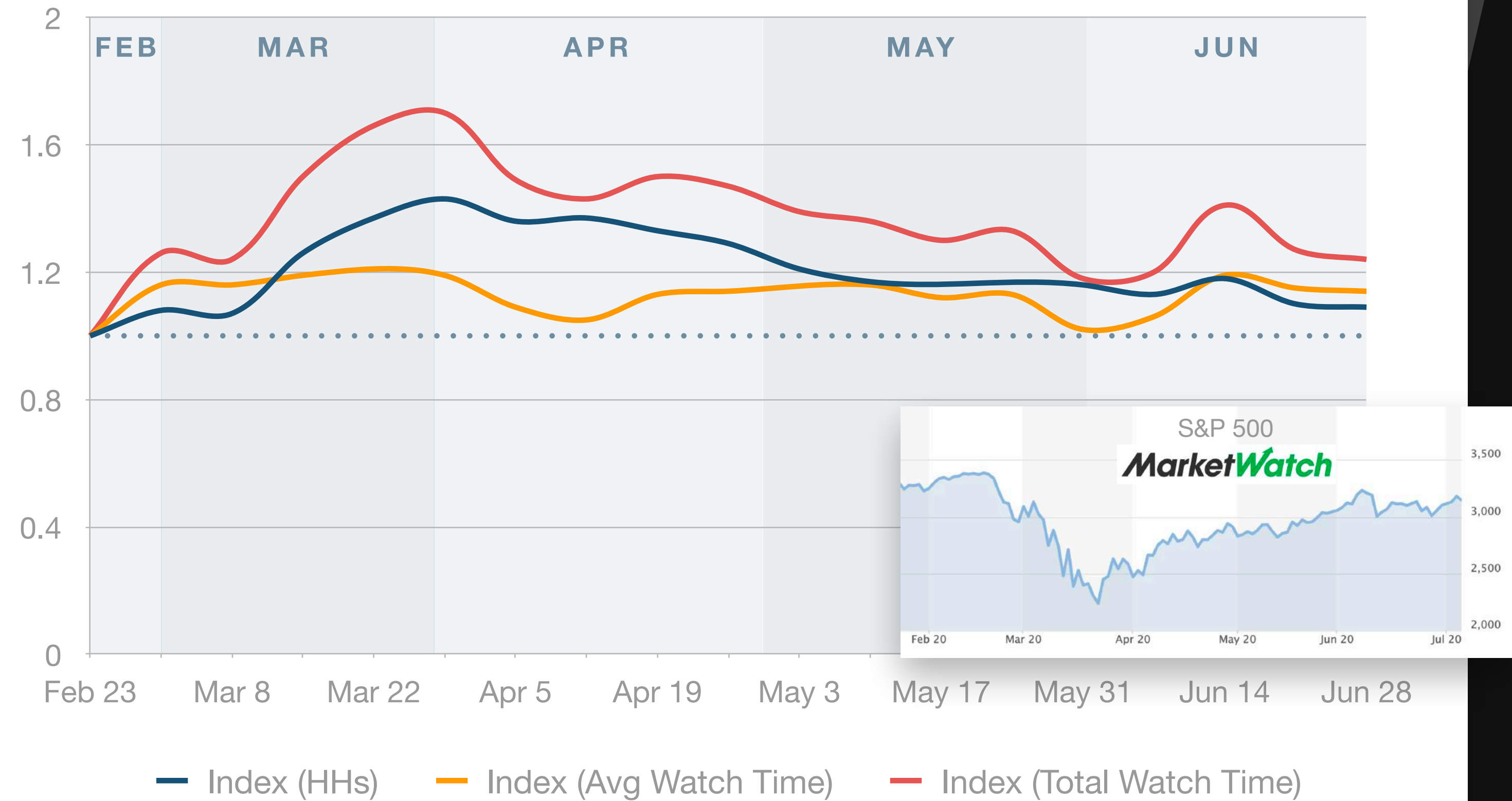
1H 2020

Financial News

Financial news channels like FOX Business, CNBC, and Bloomberg saw viewership peak with an increase of 46% during mid March. At the end of June they closed at 9% growth over the average Jan / Feb level. The trend lines for both households reached and total time watched reflect an inverse of the performance of the S&P 500 as reported by Yahoo! Finance.



Financial News Audience Index



1H 2020

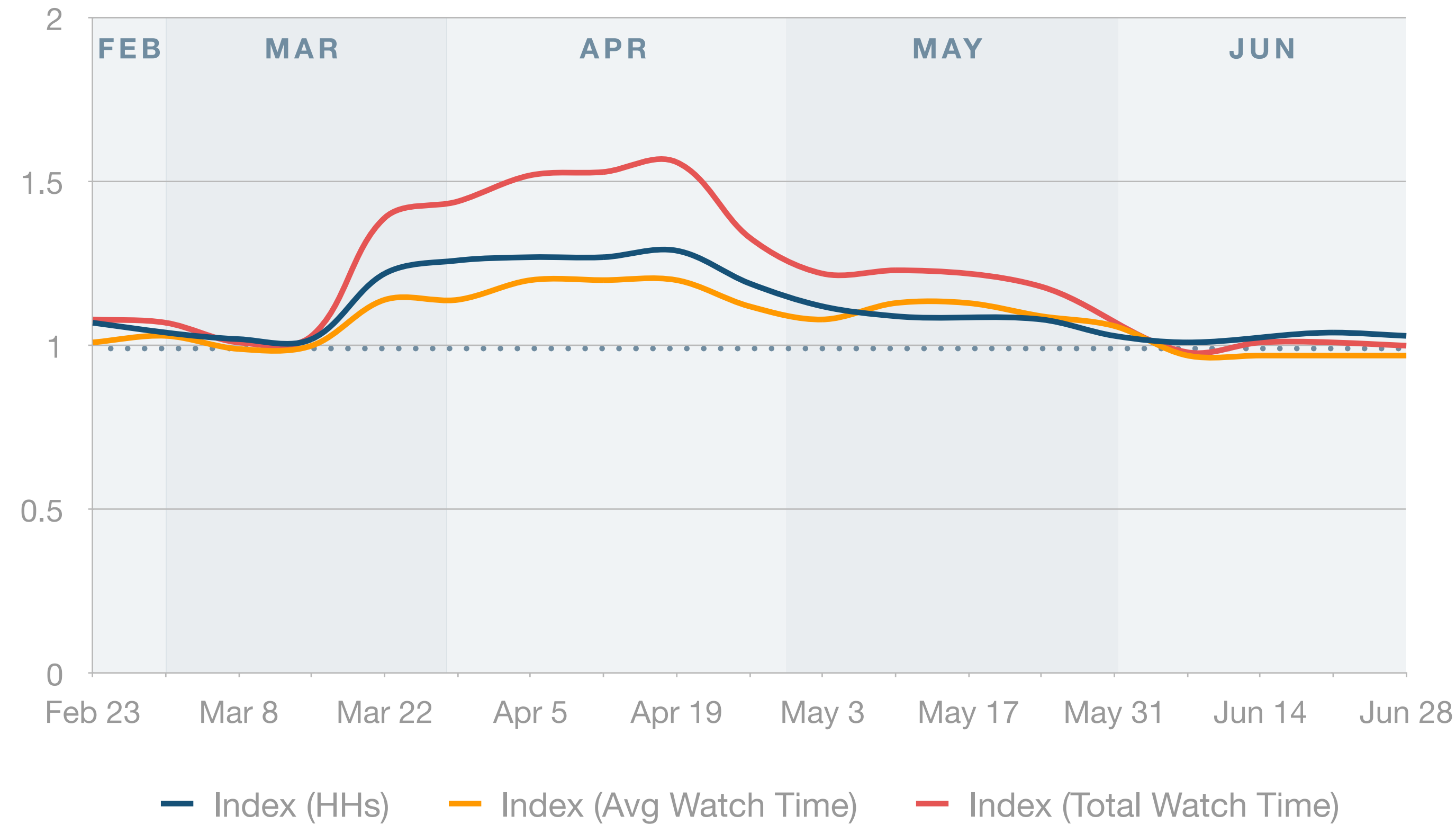
Streaming

Looking at original programming from streaming services, we can see “binge burnout” continuing as many households have enjoyed a large portion of original program offerings, combined with the negative impact of productions halting due to Covid-19 restrictions.

Streaming services saw unique household reach hit a peak of 29% growth during late March and mid April. It has mostly returned back to the early 2020 levels and has remained the same throughout June.



OTT Audience Index - Original Programming Only



1H 2020

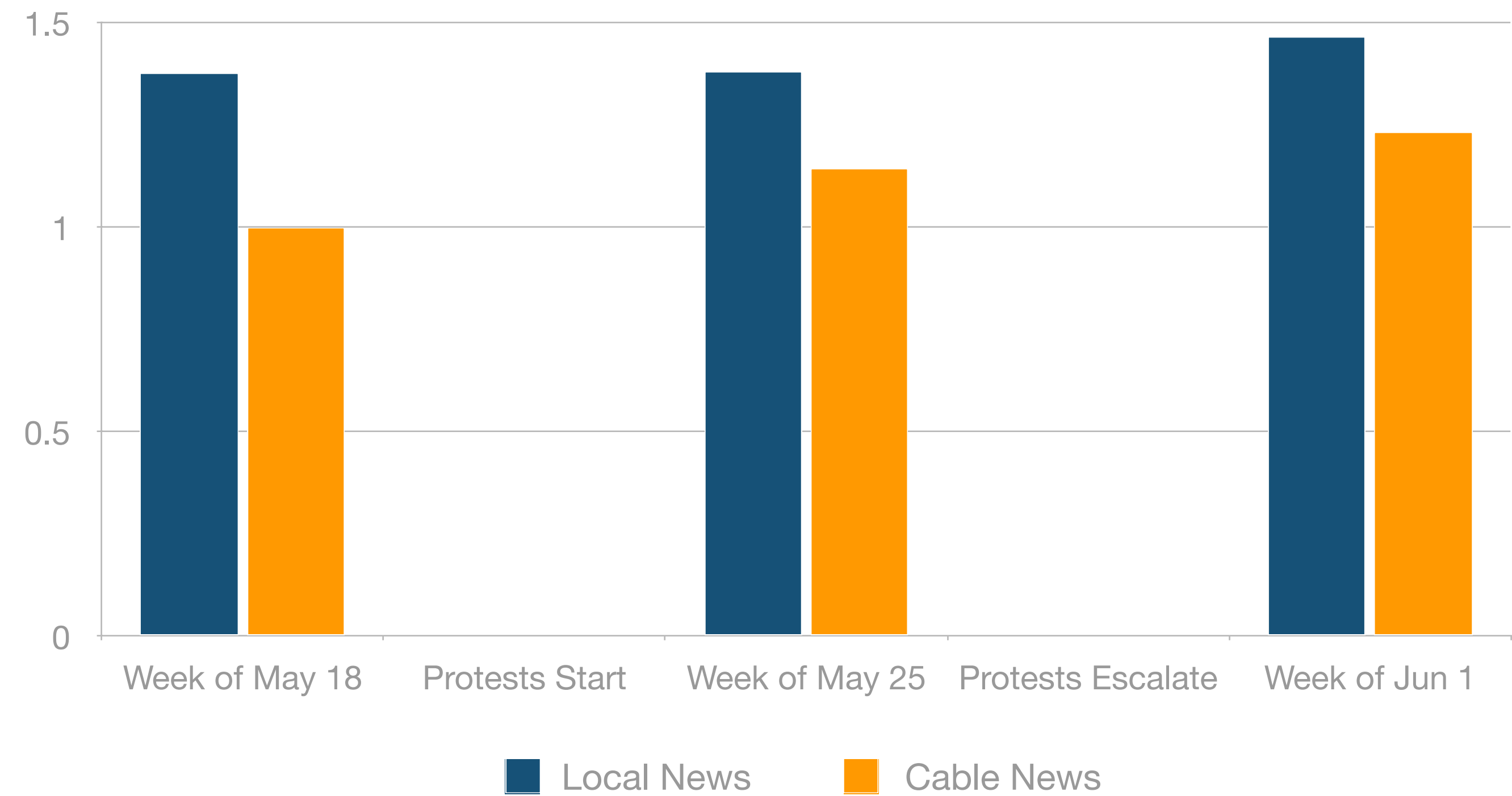
#BLM Protests

Following protests across the nation, cable news viewership increased 14.5% during the week of May 25, the week of the George Floyd murder, compared to the week before.

Once protests escalated during the week of June 1, cable and local viewership increased 7.7% and 6.2% respectively, as compared to the prior week.

Weekly Households Reached

1 = HHs reached by cable & local news during the protests



Effects of Re-Openings on TV Viewership

1H 2020

Brand Categories

We looked at various brand categories and subcategories to highlight some that saw either significant declines or increases from May to June. Travel brands – particularly airlines and cruise lines – were unsurprisingly absent from TV advertising in both May and June, with a statistically insignificant number of airings.

Several QSR subcategories including sandwich, chicken and burger creans, all increased their spend in June compared to May.

Category	May EQ Units	June EQ Units	Change
Pizza	33,565	25844	-23.00%
Mattress	6,846	5442	-20.51%
Telecom	40,690	34373	-15.52%
Pet Foods	23,044	19639	-14.77%
Burger Chains	28,388	30964	9.07%
Beer	24,505	27047	10.37%
Chicken Chains	8,538	9491	11.17%
Spirits	5,857	7325	25.07%
Casual Dining	3,228	4095	26.88%
Auto	44,180	62,189	40.76%
Sandwich Chains	6,622	10,009	51.15%
Meal Kits	3665	5,706	55.70%
Soft Drinks	5,687	12,243	115.29%

DRIVING TRAFFIC

Location Attribution for QSR brands

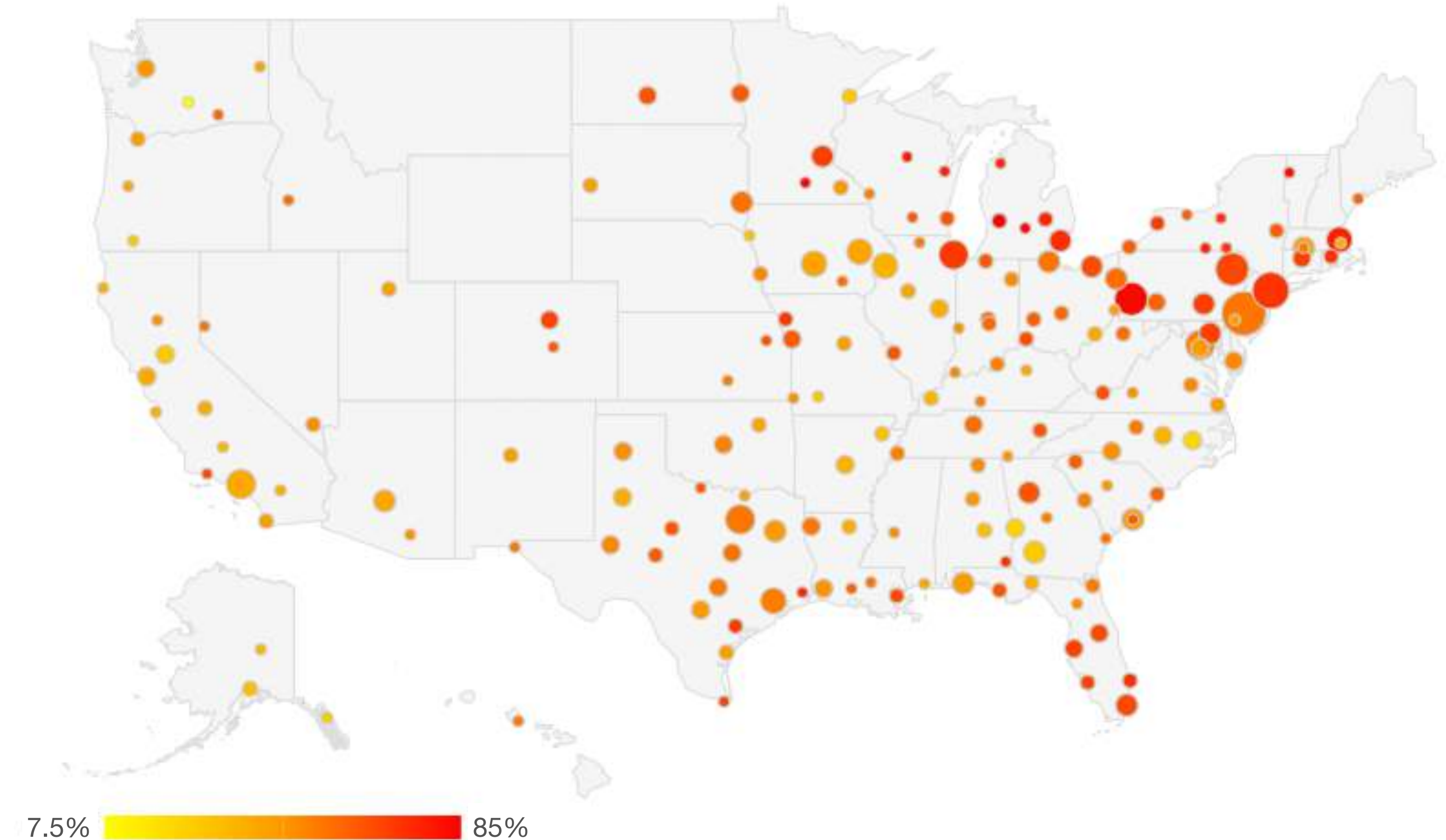
As several states began to ease shelter-in-place restrictions in May, we took a look at how quick-service restaurant traffic increased during that month as a result of TV advertising, as compared to April.

We looked at smart TV households exposed to ads from four major national QSR and casual dining brands: McDonalds, Burger King, Pizza Hut, and Domino's, to calculate an overall conversion rate and see the increase or decrease in visits month-over-month.



Increase in Conversion Rate: April to May 2020

- States in the East and the South display a more aggressive stance toward getting out of the house
- Compared to most western states, states such as Florida, New York, Pennsylvania, Texas, and the Midwestern states saw a much higher increase in conversion rates month to month



ANALYSIS PERIOD

April 2020 vs May 2020

LOOK-AHEAD PERIOD

7 days

BRANDS INCLUDED



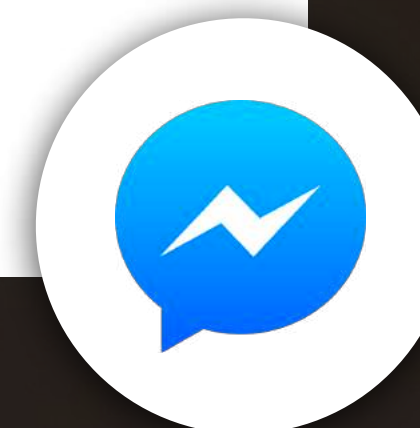
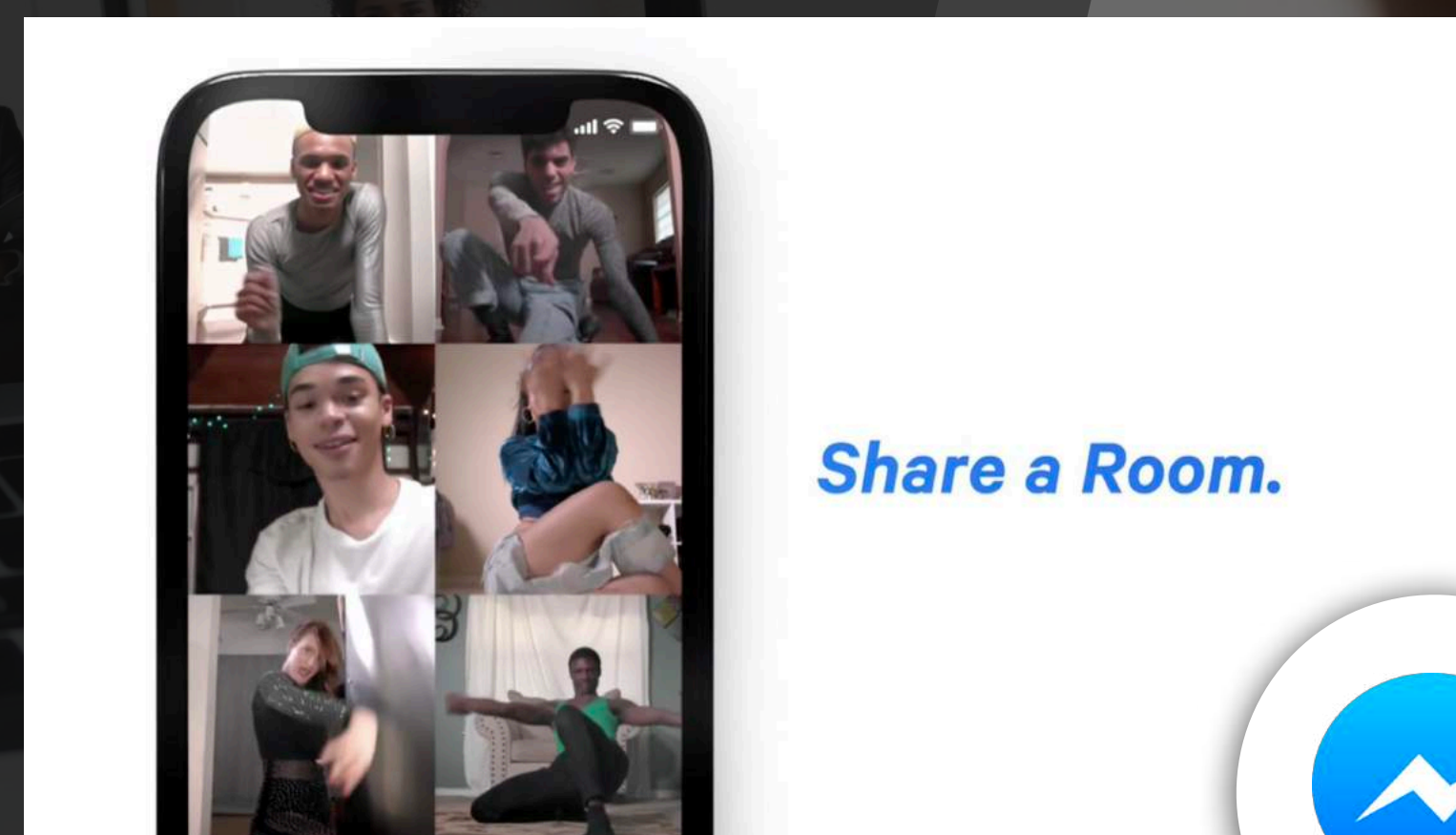
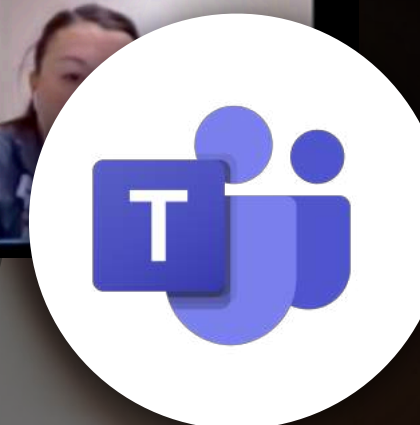
Metro Area	Increase in Conversion Rate
Pittsburgh	83.3%
West Palm Beach	72.6%
New York	71.2%
Chicago	70.3%
Orlando	65.3%
Overall USA	54.0%
Seattle	47.2%
Los Angeles	40.3%
San Francisco	39.9%

Residents in hard-hit regions of the East and the South are more apt to visit QSR chains while on the West Coast, people remain more cautious.

Across the U.S., there was an overall 54% increase in conversion rate in May, compared to the month before. All states showed an increase in conversions month over month.







Creative Spotlight

June saw a tough competition between Microsoft Teams and Facebook Messenger for the booming video call market. Both of them were among the top five creatives by spend on TV in June. Wec compared the campaign approaches and creative resonance for each ad.



Period: June 2020



Spend	\$12.251M	\$11.6M
Creative focus	Usesin businesses, services, education; message targeted to professionals	Home uses; exercise, entertainment, message targeted to consumers
Airings	2,907	3,523
Top Shows	Shark Tank, SportsCenter, Futurama	Family Feud, Martin, MLB
Top Networks	Syfy, FXX, CNBC	FOX Sports, BET, ABC
Top Dayparts	Primetime, late fringe, weekend	Primetime, late fringe, daytime
Viewership		
Impressions	1.25B	1.93B
Top Shows	America's Got Talent, Shark Tank, Tonight Show Starring Jimmy Fallon, World of Dance	Good Morning America, CBS This Morning, Tonight Show starring Jimmy Fallon, Late Night with Seth Mayers
Top Networks	  	  
Top Dayparts	Primetime (Biggest share), late fringe	Primetime, late fringe, early morning

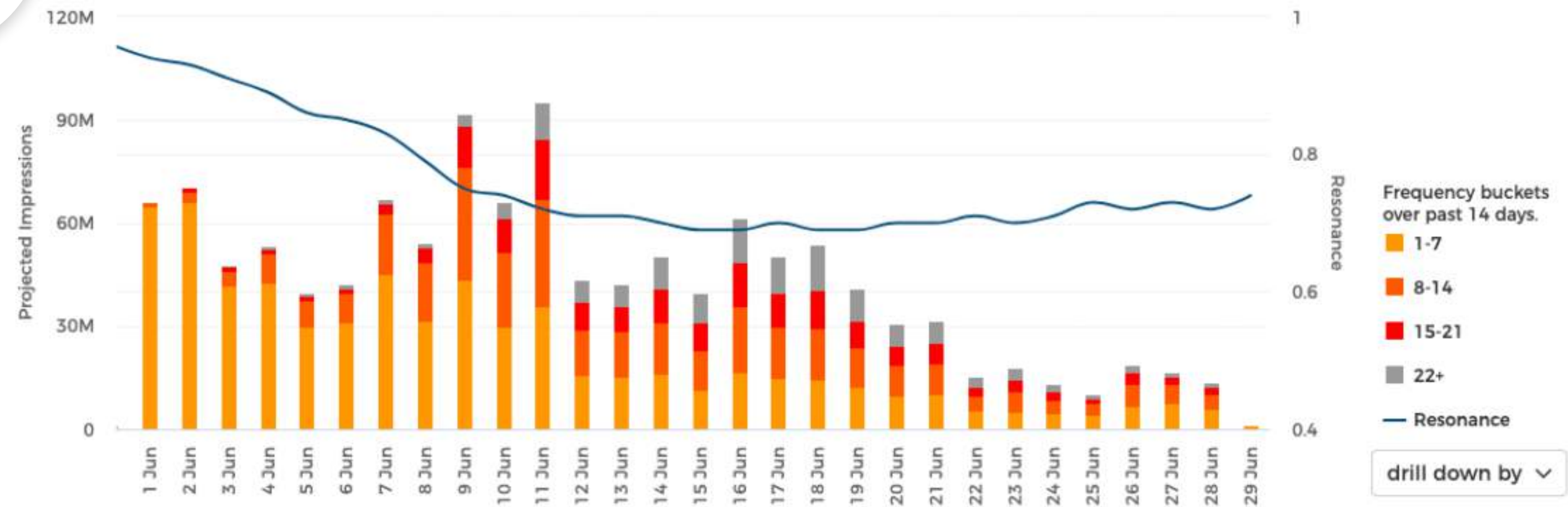
Creative Resonance

Creative resonance, part of the Alphonso Insights dashboard, helps brands understand the life cycle of a creative, by identifying points at which audience engagement begins to decrease, and what factors are involved with that decrease.

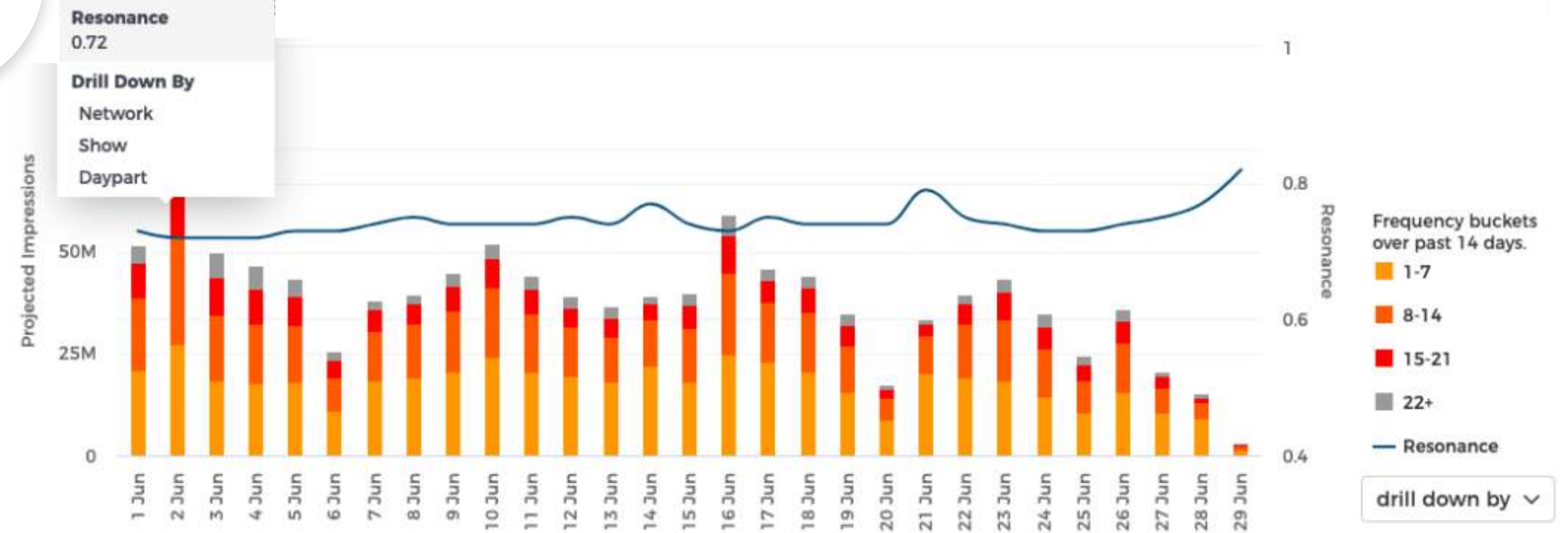
Resonance takes into account ad skipping, fast forwarding, changing channels, or turning the TV off during a specific ad; it also involves the frequency distribution in helping brands optimize campaigns through more informed planning.



Overall: 0.74, Most Recent: 0.74



Overall: 0.74, Most Recent: 0.82



TV Sports Spotlight

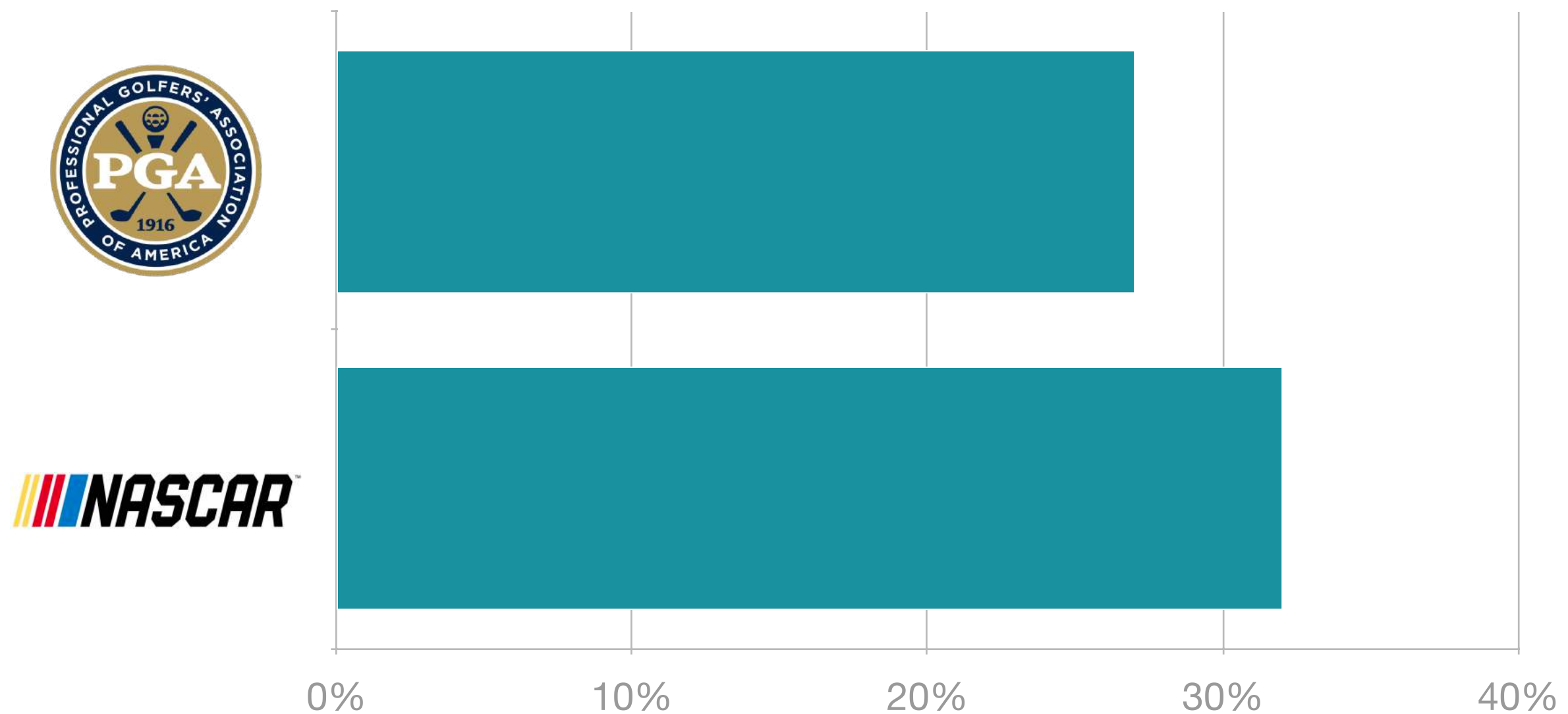
With some sporting events returning in June, we looked at how viewership of live events compared year-over-year, what other programming sports viewers are watching, and which brands are getting in on the action as viewership begins its slow comeback.

Sports Viewers

As NASCAR and PGA Golf came back into action in June, viewers flocking to live events drove a significant increase in viewership compared to June 2019.

PGA Golf saw an increase of 27% year-over-year, and NASCAR saw a 32% increase.

Growth in average viewership for a match in June 2020 over June 2019





Top shows: PGA fans, June*

	Golf Central
	PGA Tour Golf
	CBS Weekend News
	30 for 30
	United We Sing: A Grammy Tribute to the Unsung Heroes
	SportsCenter With Scott Van Pelt
	SportsCenter
	NASCAR Cup Series
	60 Minutes
	Boxing



Top shows: NASCAR fans, June

	Motorcycle Racing
	NASCAR Race Hub
	NASCAR Race Classic
	NASCAR Gander RV & Outdoors Truck Series
	NASCAR Xfinity Racing Series
	Greatest Races: NASCAR
	PBA Bowling
	NASCAR Race Hub
	Greatest Games: MLB
	Horse Racing



Top brands by spend: PGA

- 1 ServiceNow
- 2 GolfNow
- 3 U.S. Bank
- 4 Travelers
- 5 Ace Hardware
- 6 Lexus
- 7 Farmers Insurance
- 8 GEICO
- 9 GolfPass
- 10 FedEx



Top brands by spend: NASCAR

- 1 GEICO
- 2 USAA
- 3 Ford
- 4 Subway
- 5 Wendy's
- 6 Coca-Cola
- 7 Hardee's
- 8 HomeLight
- 9 McDonald's
- 10 Carl's Jr. and Hardee's

Genre Reach

Households reached by shows across nearly all genres declined in June, compared to the month before, except for Game Shows which saw a slight increase. Outside of Game Shows, News, Talk Shows, and Politics were impacted the least. Thrillers and Crime Documentaries saw the greatest decreases during the month.

Show Genre	Household reach		Change
	May	June	
Game Show	56.0%	56.2%	0.41%
News	81.3%	80.6%	-0.85%
Talk	74.2%	73.5%	-1.03%
Politics	51.8%	51.2%	-1.15%
Adventure	75.5%	74.4%	-1.42%
Reality	79.8%	78.7%	-1.44%
Entertainment	69.9%	68.1%	-2.57%
Comedy	79.5%	77.3%	-2.74%
Action	76.6%	74.3%	-3.00%
Crime Drama	65.0%	63.0%	-3.09%
Mystery	56.9%	55.1%	-3.13%
Sitcom	72.8%	70.4%	-3.30%
Animated	56.1%	53.9%	-3.89%
Drama	72.5%	69.6%	-3.96%
Documentary	69.6%	66.4%	-4.68%
Fantasy	58.0%	55.0%	-5.17%
Thriller	64.4%	60.9%	-5.45%
Crime Documentary	59.4%	55.0%	-7.37%

About Alphonso

Alphonso is a TV data and measurement company, and the market leader in providing brands and agencies with real-time TV ad campaign measurement, closed-loop attribution for TV ads, and TV audience extension across digital devices. Alphonso TV Data Cloud services are used by hundreds of the Fortune 500 brands and agencies in the U.S.

With video AI technology embedded in tens of millions of smart TVs, TV chipsets, set-top boxes, and other connected devices, Alphonso understands what programming and advertising people watch on TV. Its SaaS offering, Alphonso Insights, delivers actionable TV measurement and closed-loop attribution with offline data in real time, to help brands understand the true impact of TV advertising.

We are funded by luminaries in the media business and growing rapidly. We are hiring globally across all of our offices in the US, Europe and Asia. To learn more, visit www.alphonso.tv.