Spring 2022

National Client Meeting

Nielsen

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The road to Nielsen ONE

Progress update and upcoming milestones

Deirdre Thomas

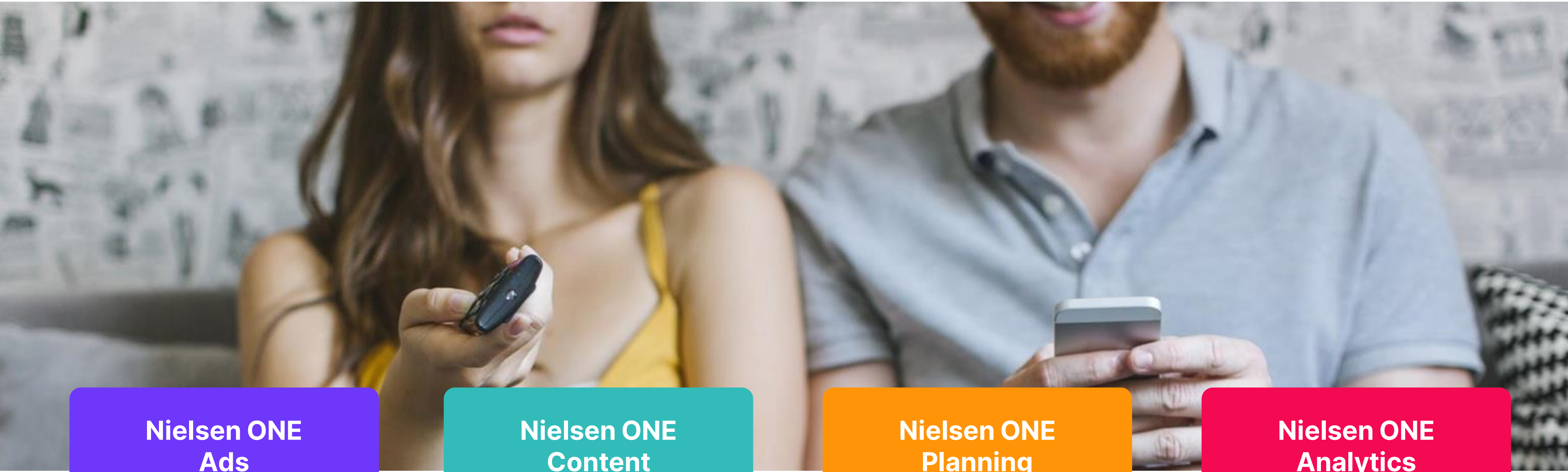
Nielsen

Contents

- Nielsen ONE Ads
- Big Data in National TV Measurement
- Individual Commercial Metrics
- Nielsen ONE Content Alpha

Nielsen ONE

A cross-platform measurement solution that will deliver a single, **deduplicated** number with **comparable** and **comprehensive** metrics across all screens.



Nielsen ONE Ads

Nielsen ONE Content

Nielsen ONE Planning

Nielsen ONE Analytics

From many to...

TV

Connected Device/VOD

Computer/Tablet/Smartphone

Live TV Ratings	VOD in TV Ratings	Digital in TV Ratings
Time Shifted Ratings	Digital Ad Ratings	
Total Ad Ratings		

Nielsen ONE Ads

2022 Nielsen ONE Ads roadmap

2022 | Q1 | Q2 | Q3 | Q4 | 2023

Nielsen ONE Alpha

First look at deduplication across all screens

Big Data in National

Initial release of impact data to clients

Nielsen ID System

Expansion of Nielsen ID System for use in Digital Ad Ratings

Unified Watermarks

Panel enablement of subminute capabilities

Expanded CTV Coverage

Additional apps/platforms

Commercial Signatures

Granular measurement of commercials via signatures

Nielsen ONE Ads Full Launch

Individual commercial metrics for TV / deduplication across platforms

Big Data into National Launch

Standalone offering in September 2022

Integration of Big Data

Linear Addressable

Individual Commercial Metrics

Always On Digital Measurement

Granular measurement provides greater comparability across platforms and ad models, along with expansive campaign reporting

Evolution of national TV measurement

Bringing linear and digital together

Current State	Future State
Panel-based measurement of ~41,000 homes	**Big data** integrated in measurement, validated by people-powered panel
C3/C7 measurement requires same content/same commercials for credit	**Individual Commercial Metrics** for enhanced granularity and comparability
	Unlock all minutes for **addressable** advertising / C3 reconciliation

Nielsen ONE measurement will utilize a combination of data sources

PANELS + BIG DATA + IDENTITY

Big data in national integrations - ~30M HH

DIRECTV VIZIO dish Roku

Steps for integrating into Nielsen Measurement

STEP 1

Data quality & cleaning

STEP 2

Identify household characteristics & demographics

STEP 3

Persons-level exposure

STEP 4

Ratings calculations

Preparing the industry

Impact Data

- Impact data was released in February 2022 with data period beginning September 2021
- Monthly impact data delivery through August 2022
- Available in Nielsen National TV View (NNTV), published MIT files and via Excel on the Nielsen Portal
- Impact data may be used for planning purposes only

Fall 2022 Launch

- Big data in National TV measurement will launch in parallel with our current measurement in September 2022
- Can be used for buying and selling as of September 2022
- Parallel offering until September 2023

Individual Commercial Metrics

We’re enhancing our metering technology to detect and credit viewing events that are **sub-15 seconds** in duration

The foundation for granular measurement

Unified Watermarks

New watermark events will leverage all available watermark types to credit tuning and commercial events

Enhanced Signatures

New signature called "StreamFP" accompanied by a new matcher capable of granular measurement

Extreme Reach

Our expanded relationship with Extreme Reach provides the potential for Nielsen encoding to be applied to the vast majority of National ads

We will continue to use "average minute" rules until the replacement of C3 with Nielsen Individual Commercial Metrics in Fall 2024

Nielsen ONE Content

From many to...

TV	Connected Device/VOD	Computer/Tablet/Smartphone
Traditional TV Program Ratings	VOD in TV Ratings	Digital in TV Ratings
	VOD Content Ratings	
Beyond 7	Streaming Content Ratings	
Out-of-home	Streaming Platform Ratings	
	Digital Content Ratings	
Total Content Ratings		

Nielsen ONE Content

Nielsen ONE Content Alpha

Delivering deduplicated **content measurement** across all screens

Linear TV | Connected TV | Mobile | Computer

Nielsen ONE Content Alpha

Objective

Partner with select group of clients to iterate on Nielsen ONE Content and show progress

Feedback

Access to early software versions -
provide feedback on features, data and usability

Time frame

Nielsen ONE Content Alpha, subsequently full launch of Content in 2023

Iterative feedback to support ongoing Nielsen ONE development

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Introducing Nielsen Streaming Signals

For real-time audience optimization

Ameneh Atai

4.5 **Billion dollars** spent on 2021 CTV upfronts. An increase of 50%

40 **Percent clearance rate** across programmatic leading to a squeeze in CTV inventory in CPM

55 **Percent plus media waste** across CTV

Source: Tatria, eMarketer, and Nielsen Research

Understand real household dynamics

With such diverse inventory, how do you *increase your ad yield* and reach the right viewer with the right ad?

...when a household watchlist looks like this, how do you know which ad to insert at any given time?

What if you could unbundle the household?

PERSONALIZE AT THE INDIVIDUAL LEVEL

Understand which specific individual/s from the HH are in front of the screen in **real-time**

MAXIMIZE INVENTORY YIELD

Eliminate ad waste by ensuring that every ad reaches the intended individual

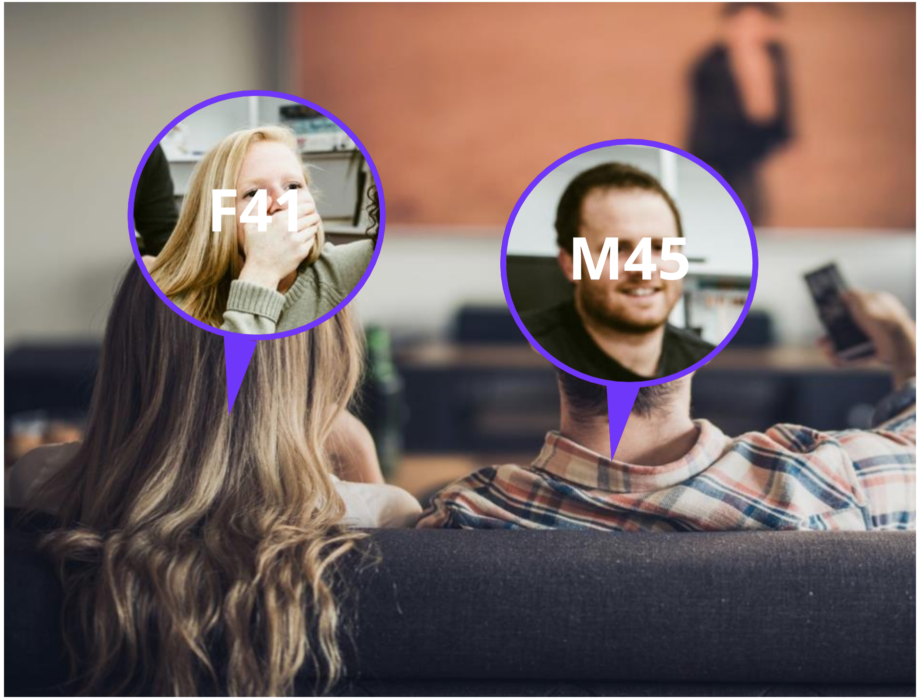
CAPTURE MORE ADVERTISER REVENUES

Increase your bottom line across new and recurring revenues

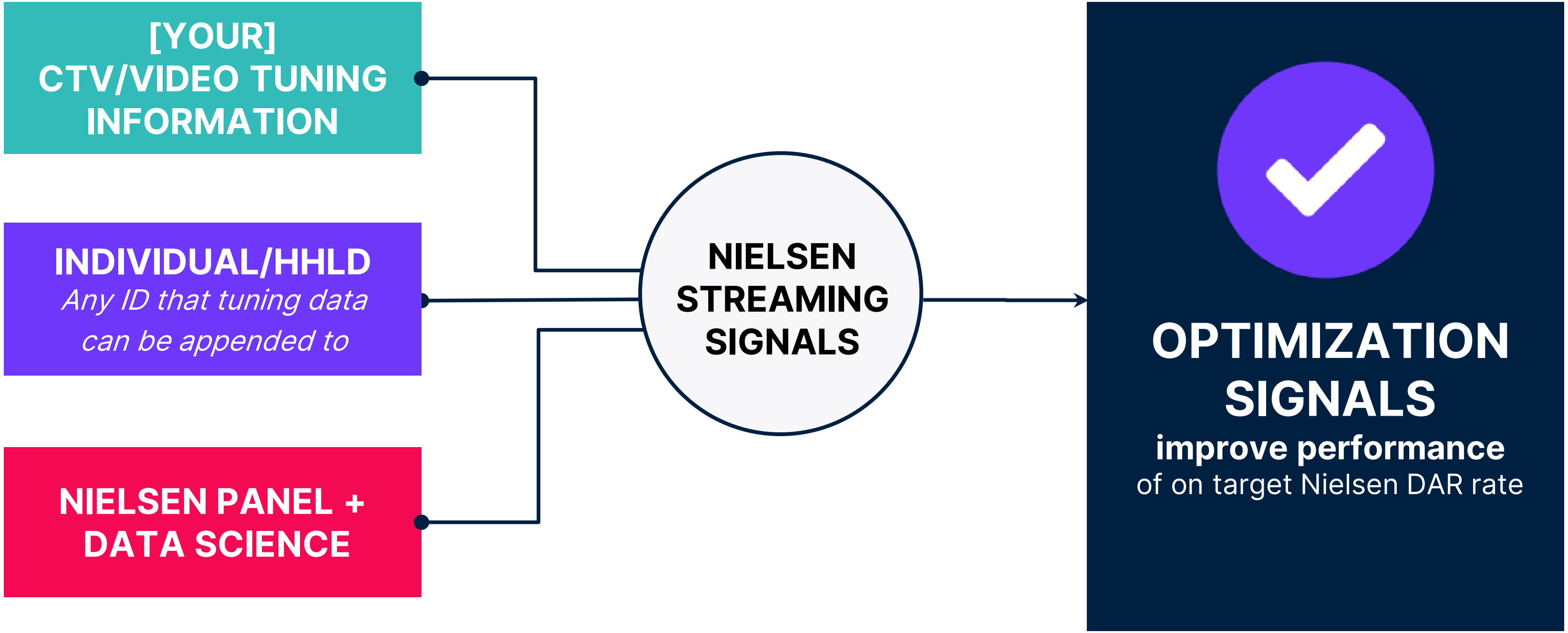
Source: Marketing Charts (top).

Uncover individual viewers in real-time

STAGE ONE	STAGE TWO
Identify who lives in the household	Identify who is watching CTV in real time



Fine tune your targeting intelligence with Nielsen Streaming Signals



Take action before ad insertion for bigger impacts

Consumer views content

Determine **who** in the HHLD is watching *in real time*

Ad is rendered

TO

Measure

Improve performance, **increase ad yield**

Only Nielsen Streaming Signals can provide

Accurate and real-time CTV ad optimization to individuals in a household

PERSON-LEVEL

Advanced two step solution that unbundles the household for ad optimization against actual individual viewers

IN-SESSION

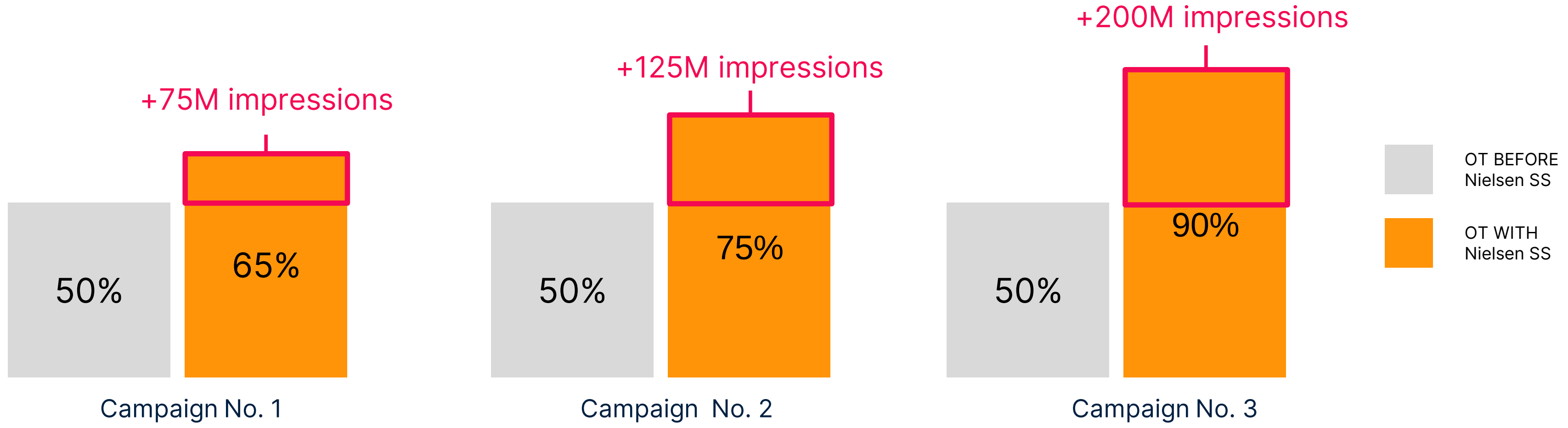
Powerful ad optimization signals fueled by machine learning with a data turnaround time as fast as 50 milliseconds

MODERNIZED

NOT dependent on any potential at-risk device identifiers, ensuring a private and resilient solution for the future

Increasing impressions mean big upside

Starting with: 500,000 impressions



Revenue upside
~$40 CPM

$3 million | $5 million | $8 million

Why publishers choose Nielsen Streaming Signals

HIT YOUR GUARANTEES
Significantly reduce the cost of serving free impressions for under-delivery against advertiser guarantees

MAXIMIZE AD REVENUE
Grow ad sales with improved optimization capabilities for advertisers and agencies

EMPOWER YOUR CLIENTS
Build client trust in your inventory’s ability to reach their target consumer

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Streaming media universe insights

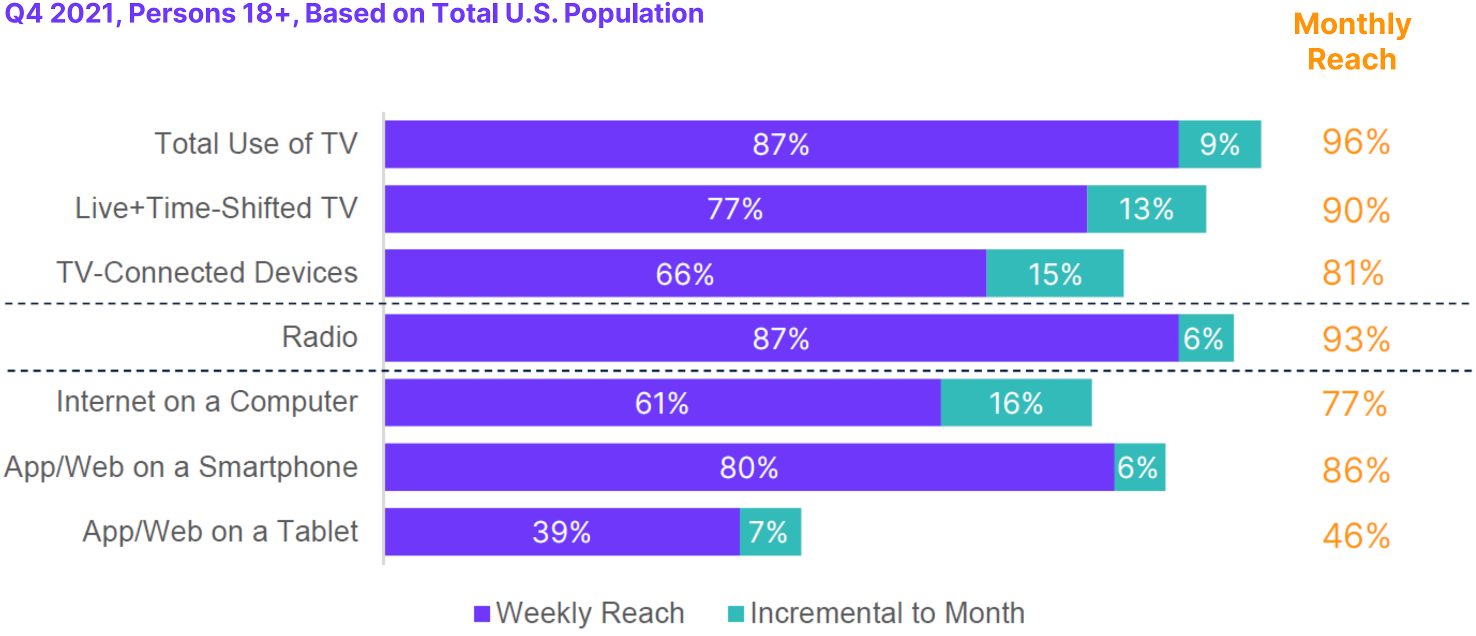
Nielsen Audience Insights Team

Chris Quick

Content consumption is nearly ubiquitous

Most adults use multiple platforms weekly, but TV and radio reach >90% per month

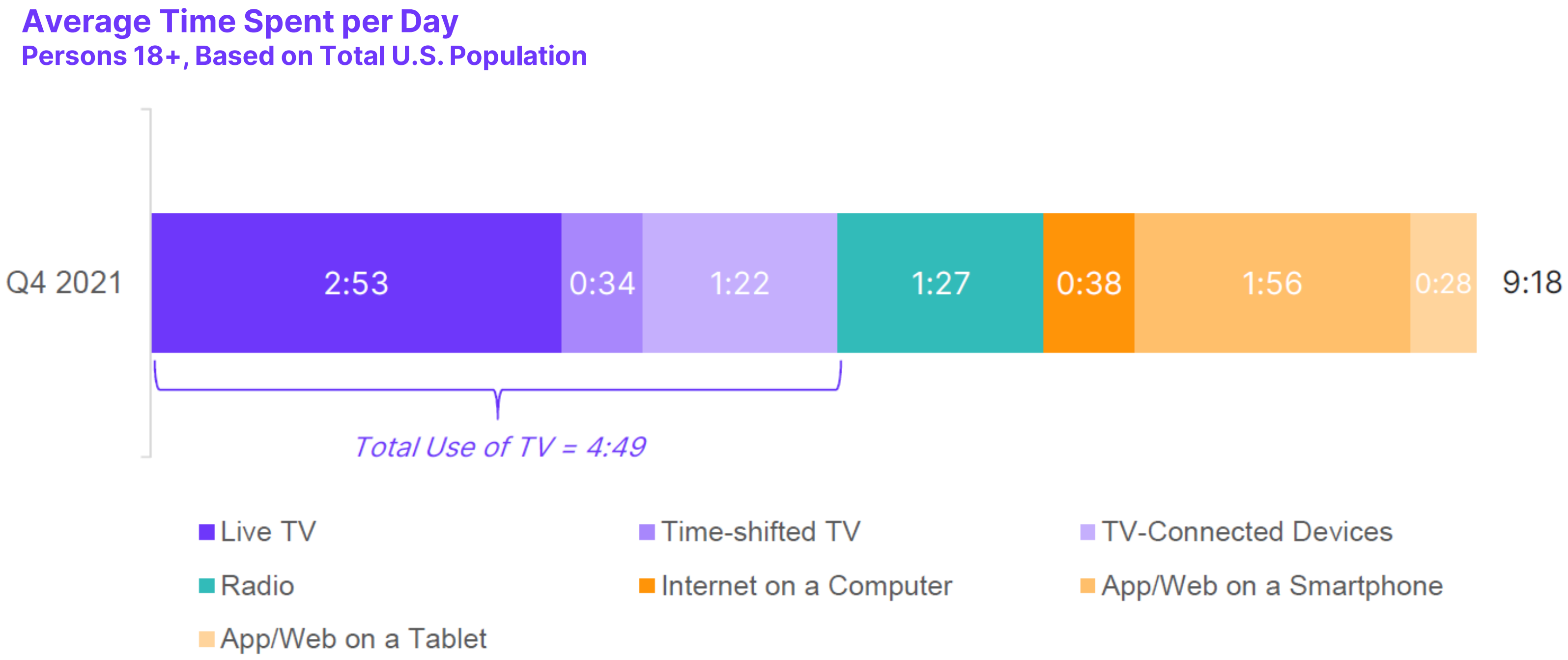
Reach % Across Platforms
Q4 2021, Persons 18+, Based on Total U.S. Population



Source: Nielsen NPOWER, Nielsen RADAR, Nielsen Total Media Fusion, Q4 2021

Most waking hours involve media usage

This content is integral to our lives; over nine hours per day are spent consuming media

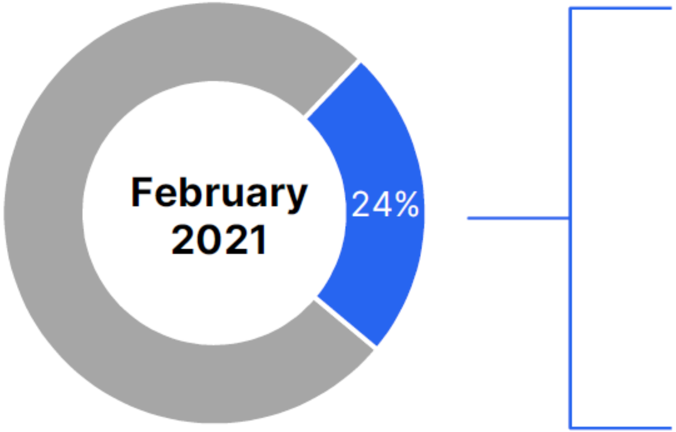


Source: Nielsen NPOWER, Nielsen RADAR, Nielsen Total Media Fusion, Q4 2021

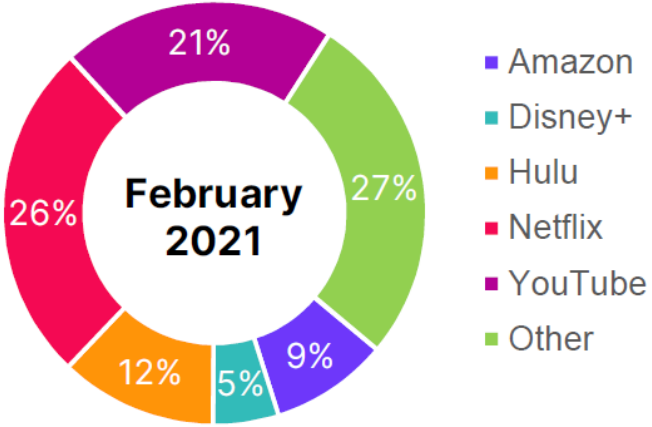
TV time spent with streaming is growing

Streaming video is becoming more prevalent while the distribution of usage also fragments

% Streaming Out of Total Use of TV, P2+



Video Streaming Distribution % by Brand, P2+



Source: Nielsen NPOWER, SVR, Based on Streaming Capable Households

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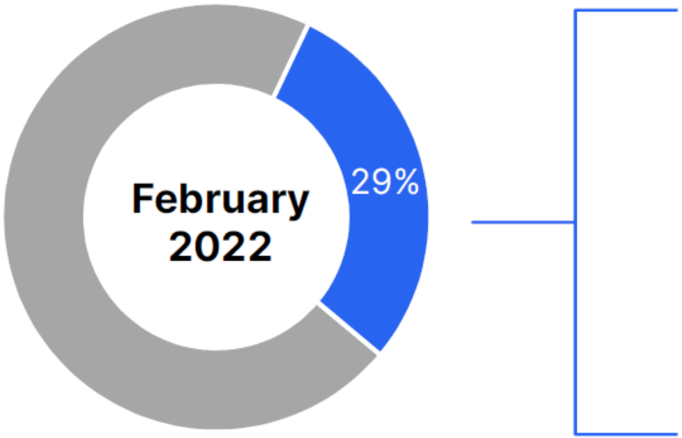

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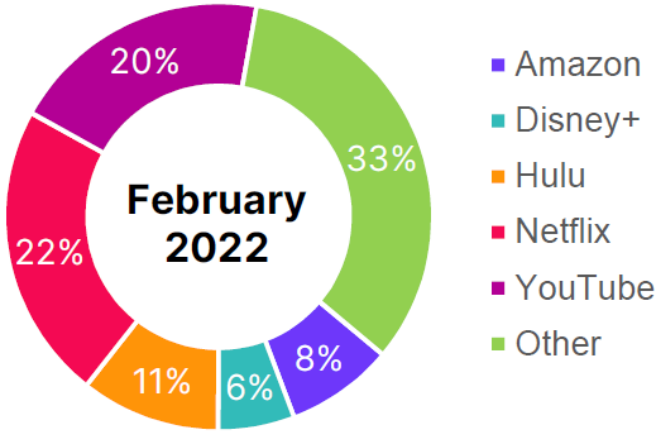
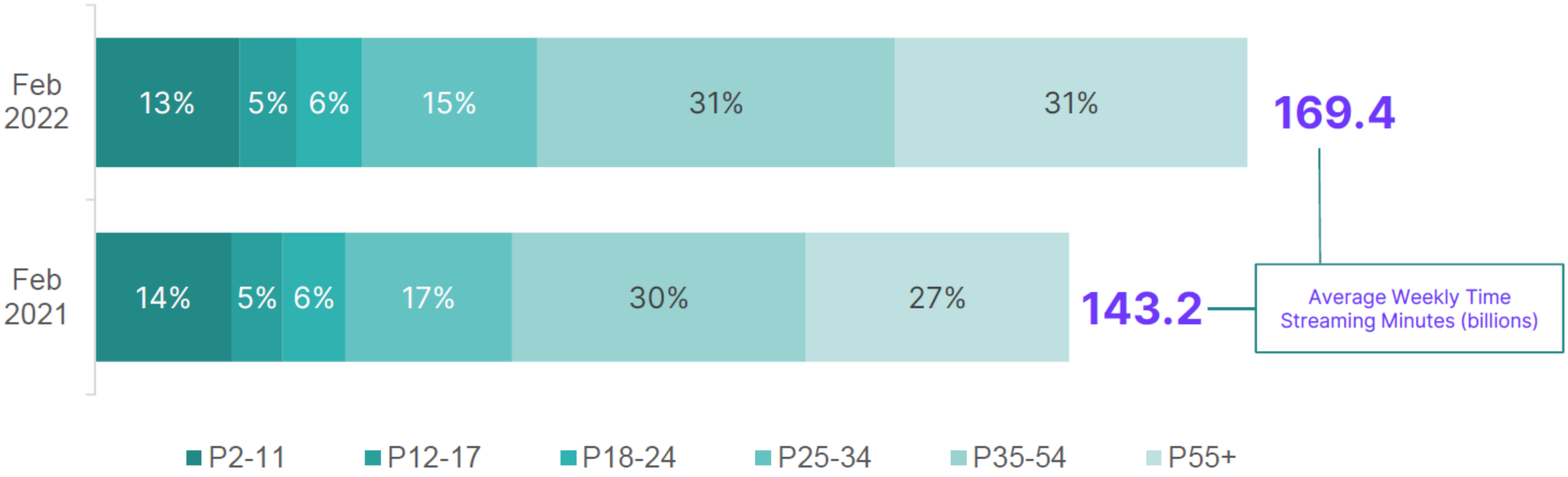


Source: Nielsen NPOWER, SVR, Based on Streaming Capable Households

More people of all ages are streaming video

Average weekly minutes streaming video are up 18% year-over-year

Streaming Video Share of Time Spent by Age

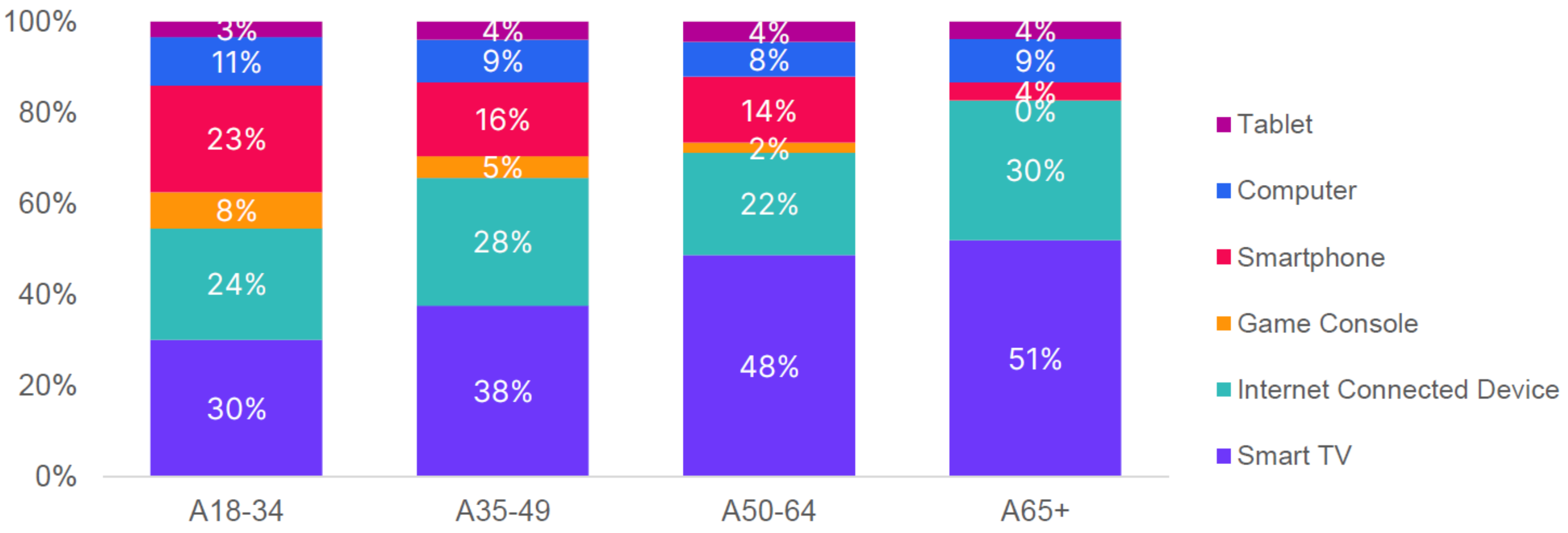


Source: Nielsen NPOWER, SVR, Based on Streaming Capable Households

For video viewing, bigger (screen) is better

TV glass viewing is most preferred, but don't discount digital devices, especially among A18-34

Most Preferred Device for Video Streaming



Source: Nielsen Streaming Media Consumer Survey, January 2022

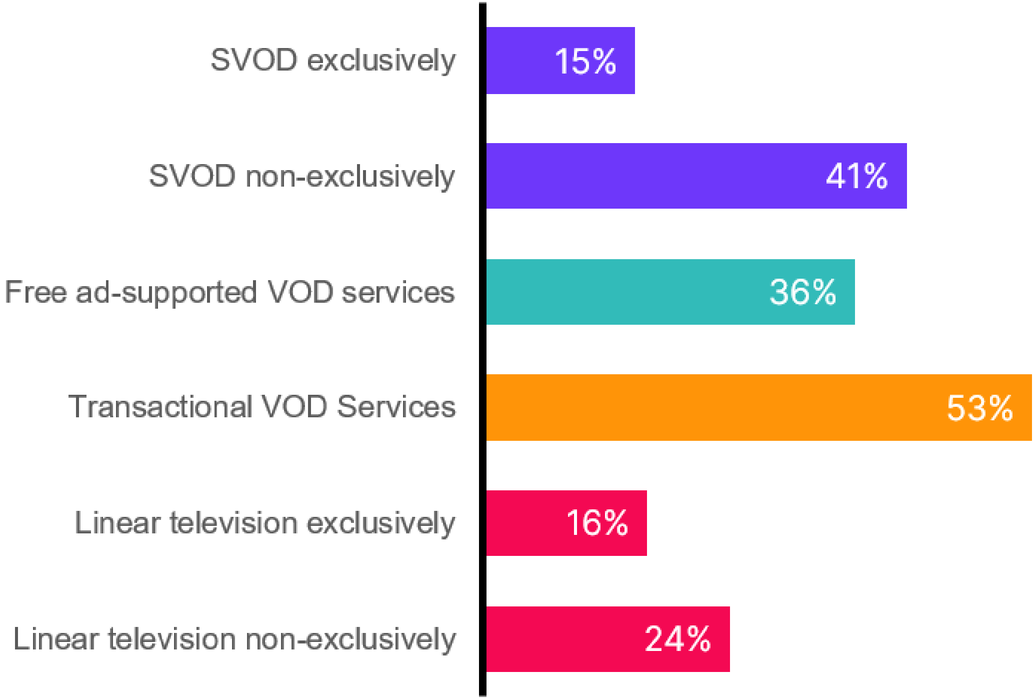
Available Video Content

817K

Unique program titles
across linear TV and streaming video services
- as of February 2022

(Up from **646K** in December 2019)

% of Titles Distributed Among Linear and OTT Services February 2022



Source: Nielsen Gracenote Insights, February 2022

The audio universe is vast

Audio content provides both synergy and competition with other forms of media

191 MILLION

Music recordings being tracked, as of February 2022

2 MILLION

Podcast series available for download, with a total of

88 MILLION

Individual podcast episodes as of February 2022

Source: Nielsen Gracenote Insights, February 2022

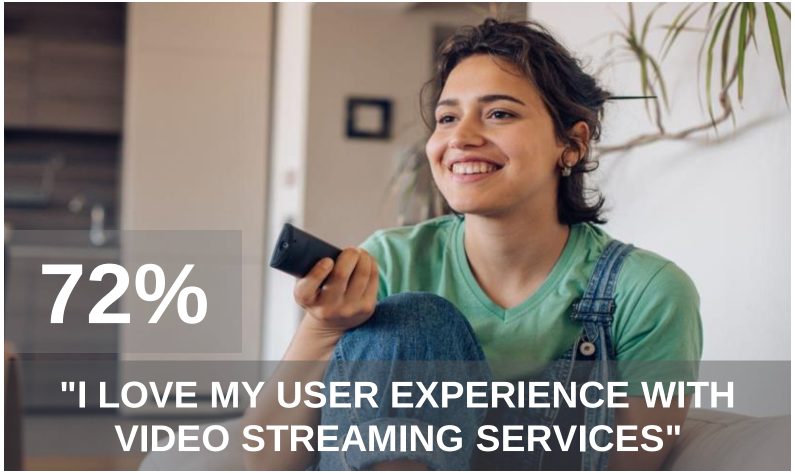
As content expands, the bill due grows

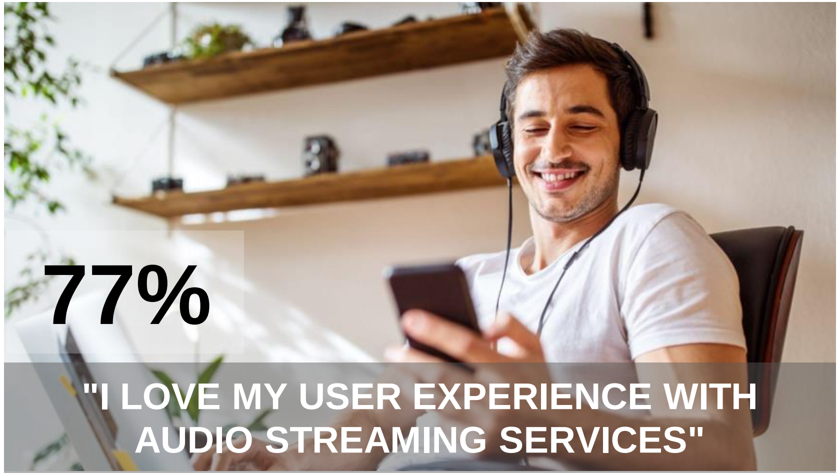
In order to access everything, you'll likely be required to pay for additional services

	Number of Paid Subscription Video Streaming Services		Number of Paid Subscription Audio Streaming Services	
	Nov 2019	Jan 2022	Nov 2019	Jan 2022
1	35%	18%	61%	39%
2	33%	24%	25%	26%
3	21%	23%	8%	16%
4	8%	18%	5%	10%
5+	3%	17%	1%	9%

Source: Nielsen Streaming Media Consumer Survey, November 2019, January 2022

The streaming experience… is great!





Paid Video Streaming Subscribers	Future actions among…	Paid Audio Streaming Subscribers
93%	Increase or no change	91%
5%	Decrease (downgrade, remove services or use less)	7%
2%	Not sure	2%

Source: Nielsen Streaming Media Consumer Survey, January 2022

...But choice can make things complicated

"I wish there was a bundled video streaming service (one company) that would allow me to choose as few or as many video streaming services that I wanted, more like channels“

64% of paid video streaming respondents

"It's getting harder to find the video streaming content that I want to watch because there are too many streaming services available to consumers“

46% of paid video streaming respondents

“I would consider additional paid audio streaming subscriptions, if the content was offered as a bundle with other services that interest me“

38% of paid audio streaming respondents

Source: Nielsen Streaming Media Consumer Survey, January 2022

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The evolution of streaming television

Eric Cavanaugh, Publicis Media
Paul Cavalluzzi, Publicis Media

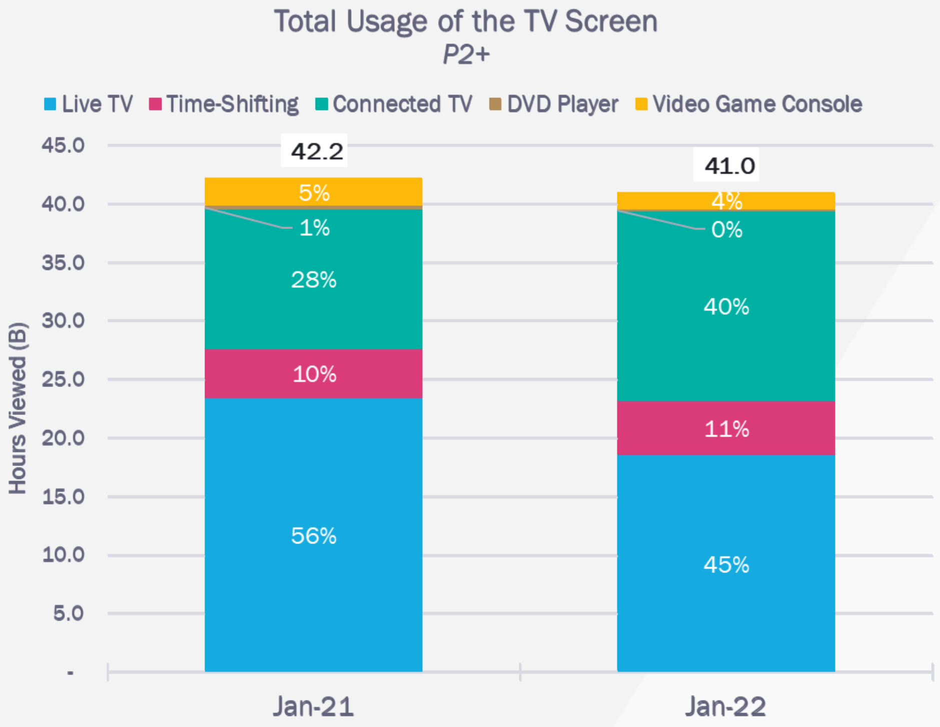
Nielsen

Introduction

- CTV has transformed the way we access and consume content on the big screen. Measurement of that content continues to evolve at a similarly accelerated rate.
- Nielsen's Streaming Platform Ratings adds another piece of viewing on the television screen, giving agencies and advertisers an opportunity to understand the interplay of device and viewing sources.
- These data are used to compare potential advertising environments broadly to help determine at what point it will be necessary to diversify a client's platform strategy.
- The following are some broad examples of how we've used the data thus far. For illustration purposes, we're only sharing our high-level analyses at this time.

CTV continues to garner share of the television screen, among all viewers

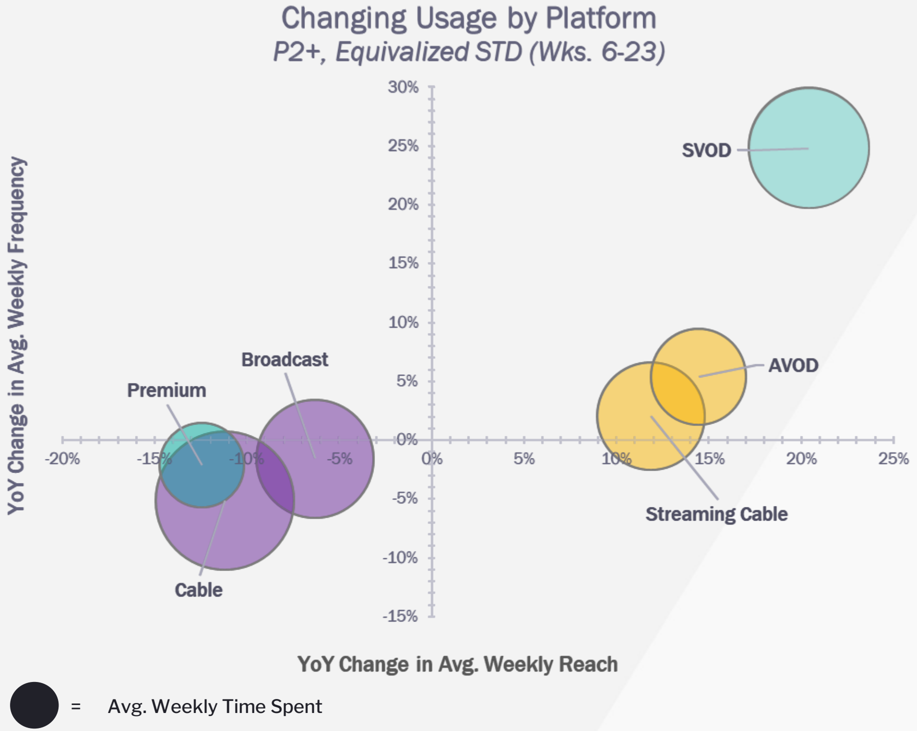
- With routines inching their way out of the home, time becomes a renewed consideration for TV viewing leading to an acceleration in CTV and Time-Shifting share



Source: *Nielsen, Time Period Ratings Analysis, Live+3; Streaming Platform Ratings*

Streaming growth has cannibalized traditional TV routines

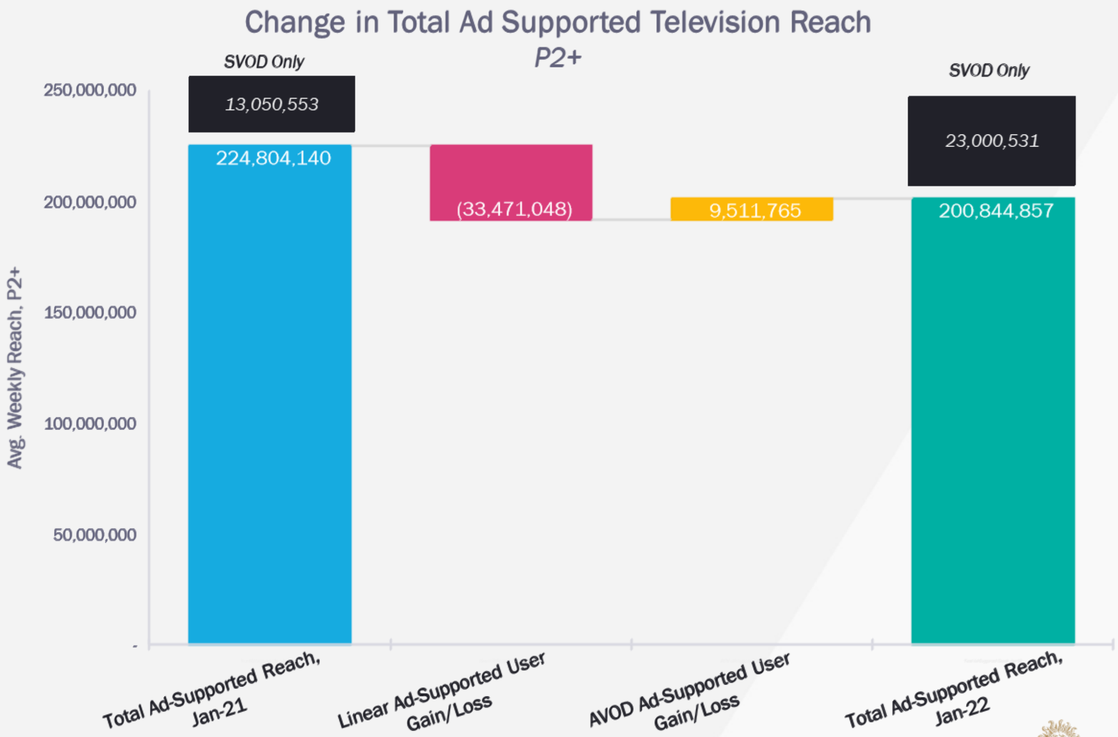
- Since the quantity of video consumed on the TV screen has normalized post-lock down, the share shift to digital has had a direct impact on traditional viewership
- More viewers are now tuning into both ad-supported and non-ad supported digital content on a more frequent basis than ever before



Source: Nielsen, Time Period R&F Analysis, Live+3; Streaming Platform Ratings ; Note: STD = Broadcast Weeks 6-23 to create YoY comparisons from streaming measurement start time

Ad-Supported TV's potential weekly reach fell 11% YoY

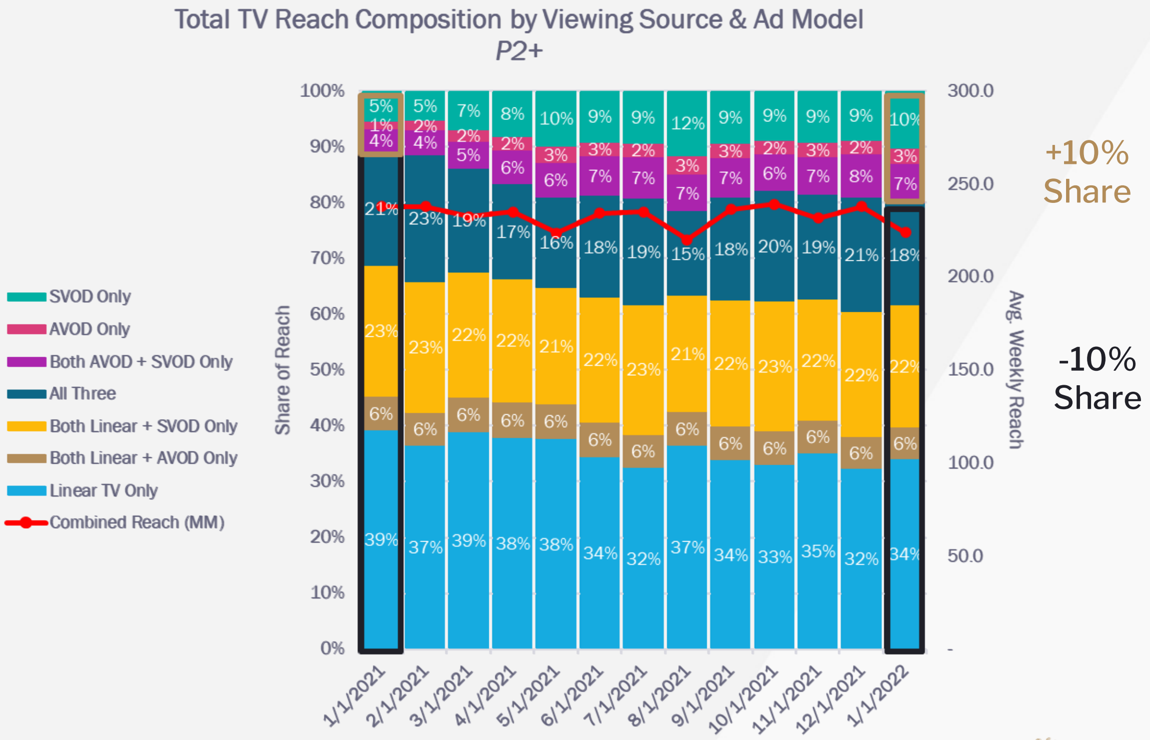
- Without the benefit of AVOD, Ad-Supported TV would have seen a 16% decline in average weekly reach of P2+
- SVOD only users grew 76% over the same time period, comprising 10% of all TV users in Jan-22 (up 5% YoY)



Source: Nielsen, Time Period R&F Analysis, Live+3; Streaming Platform Ratings

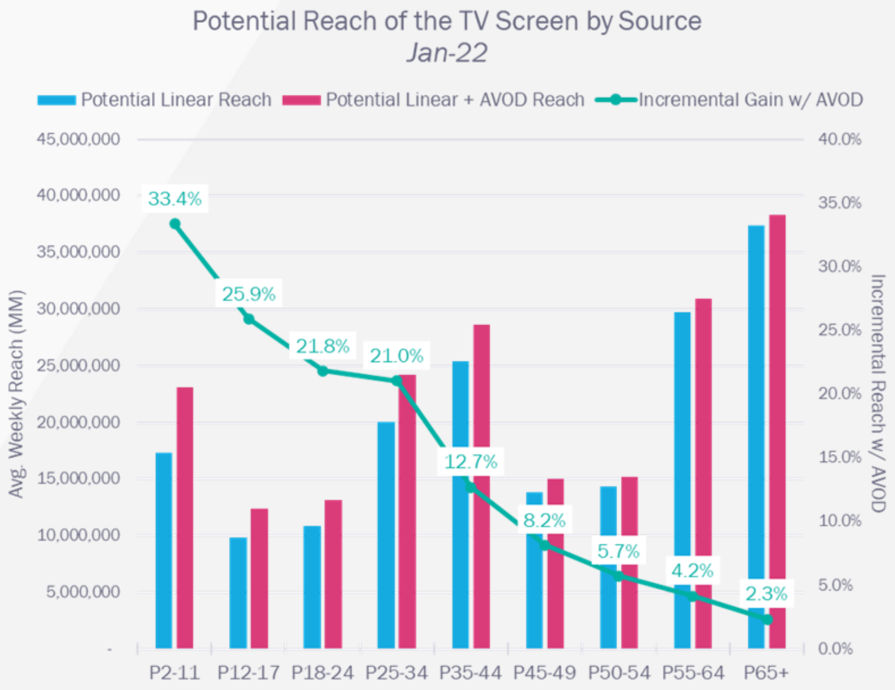
20% of TV viewers did not tune into any form of linear TV, up 10% YoY

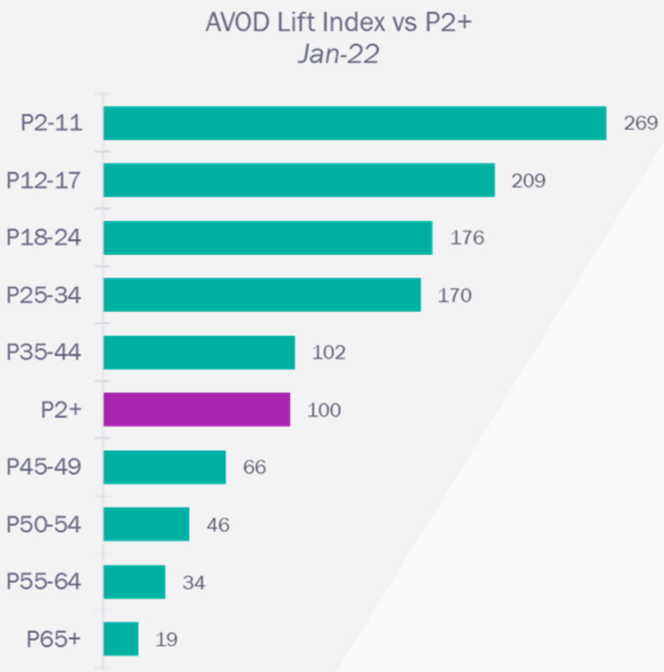
- While overall reach of the Television screen remained more or less constant over the last year, the share has shifted away from linear consumption
- AVOD has become increasingly complementary to SVOD consumers while traditional linear content consumption has eroded



Source: Nielsen, Time Period R&F Analysis, Live+3; Streaming Platform Ratings

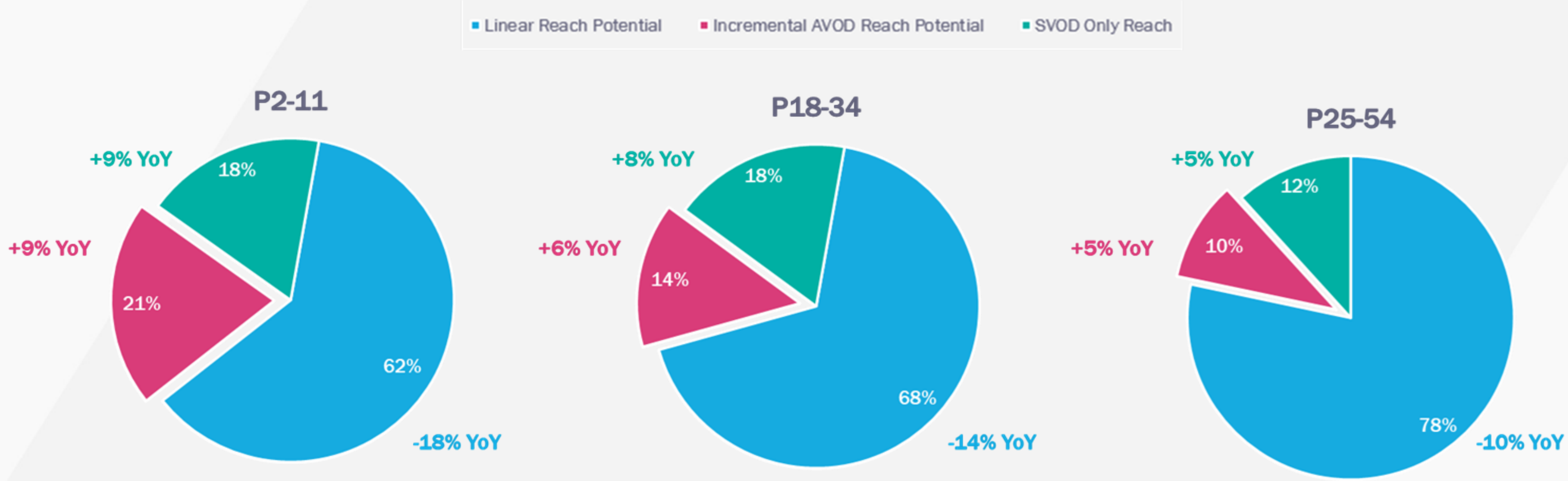
The reach of AVOD content shows its greatest potential among younger viewers





Source: Nielsen, Time Period R&F Analysis, Live+3; Streaming Platform Ratings

Avg. Weekly Reach Potential by Demo, January 2022



AVOD Index vs. P2+	P2-11	P18-34	P25-54
	269	*126*	*103*

Source: Nielsen, Time Period R&F Analysis, Live+3; Streaming Platform Ratings

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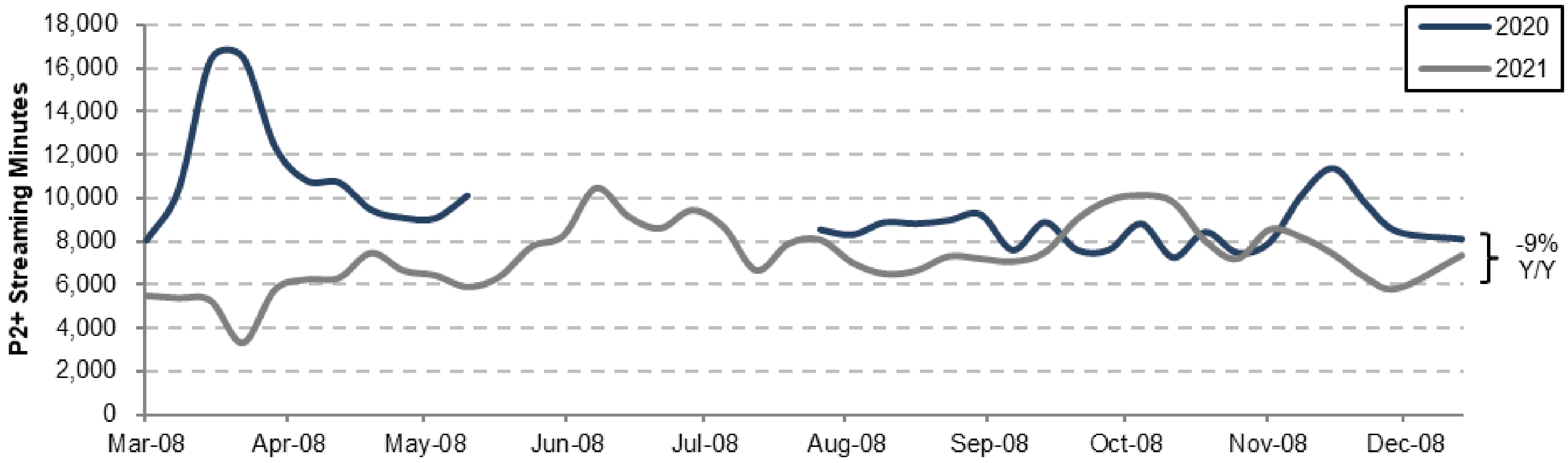
Fireside chat: media from an investor’s perspective

A conversation with Michael Nathanson

Brian Fuhrer &
Michael Nathanson, MoffettNathanson

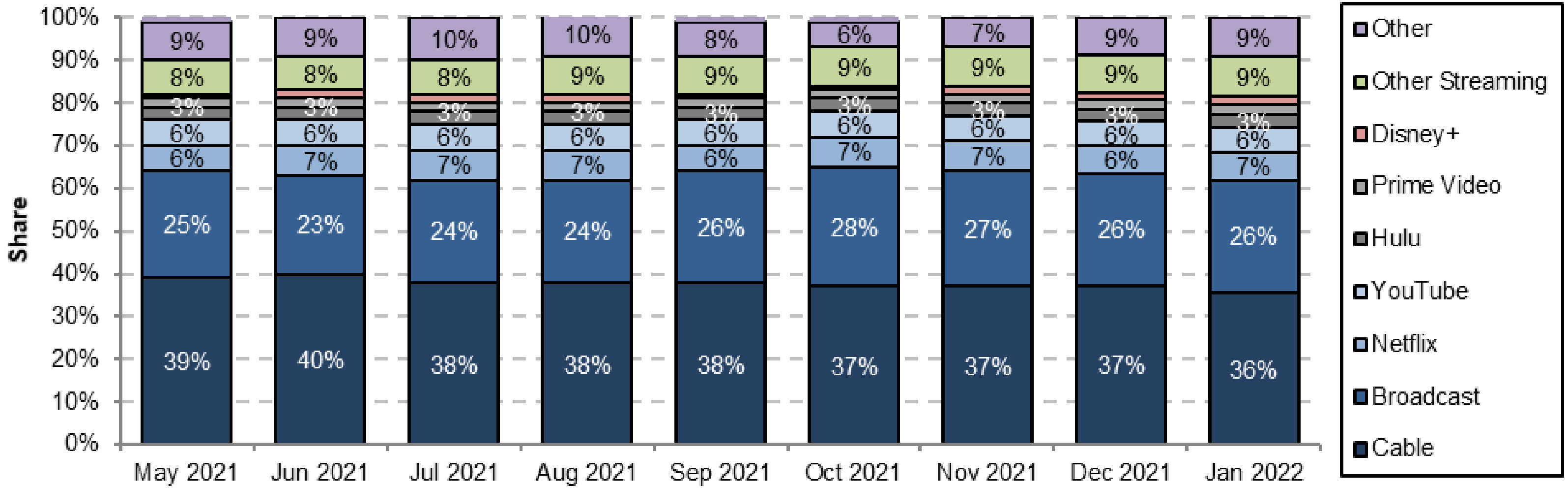
Nielsen

Top 10 Minutes Viewed, 2020 v 2021



Source: Nielsen, MoffettNathanson analysis

Minutes Viewed by Platform

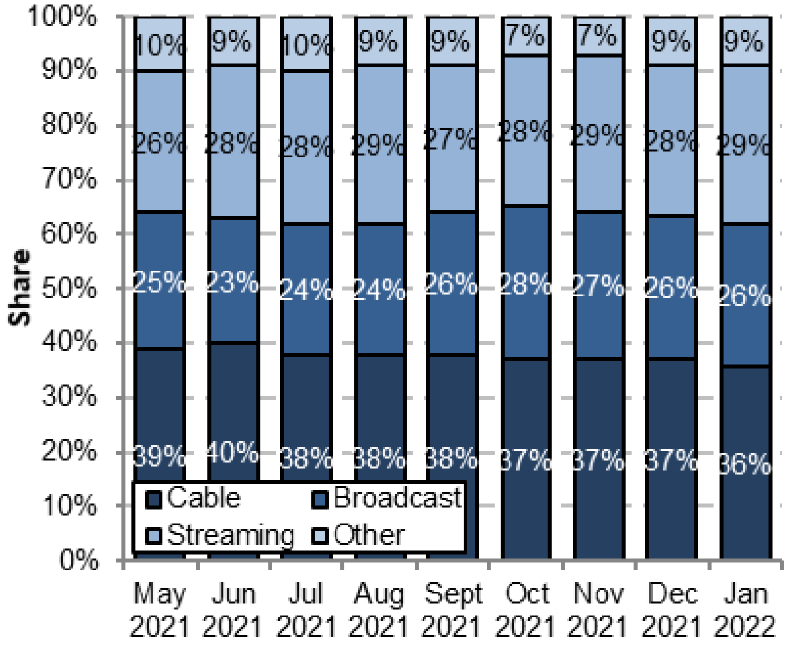


	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022
Linear TV	**64%**	**63%**	**62%**	**62%**	**64%**	**65%**	**63%**	**63%**	**62%**
Streaming	**26%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**	**29%**

Source: Nielsen, MoffettNathanson analysis

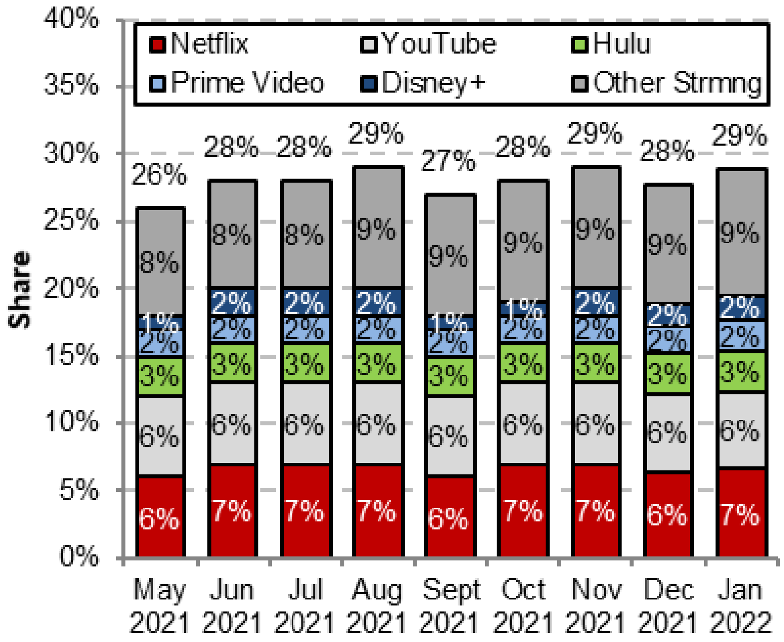
Minutes Viewed

Share of Minutes Viewed by Category



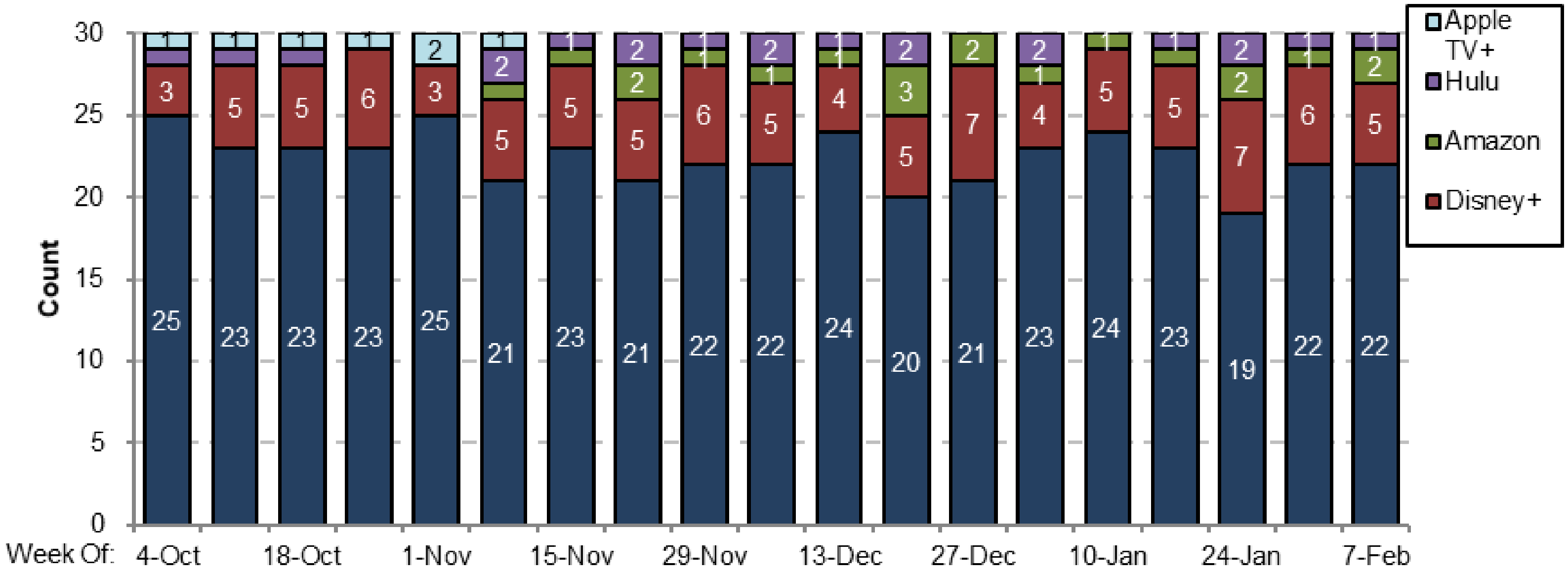
Source: Nielsen, MoffettNathanson estimates and analysis

Streaming Share of Minutes Viewed



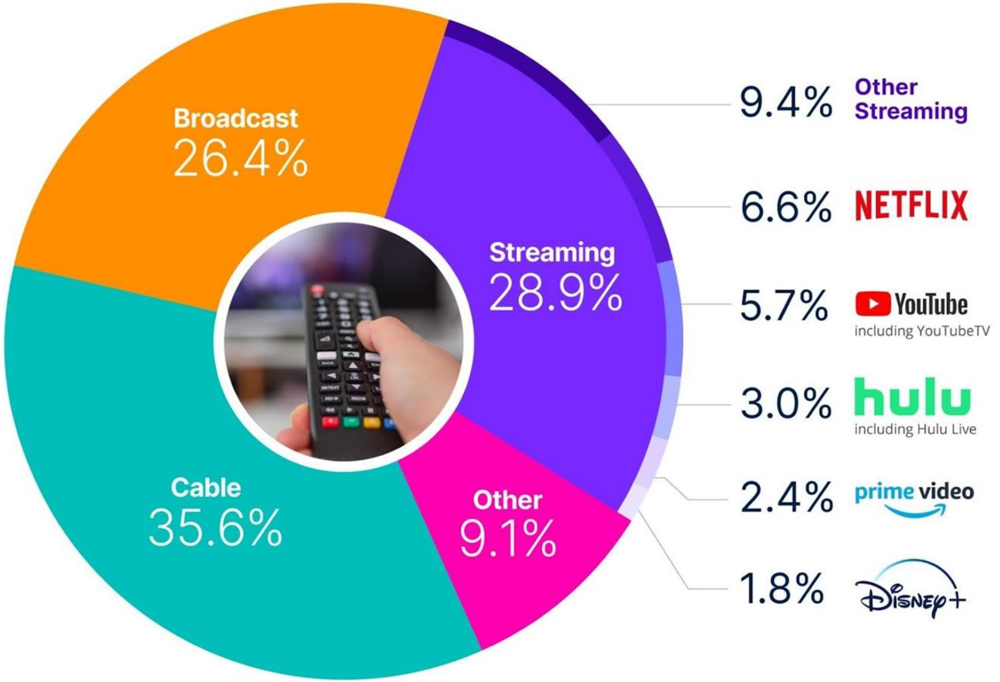
Source: Nielsen, MoffettNathanson estimates and analysis

Number of Shows in Nielsen Top 10 by Platform



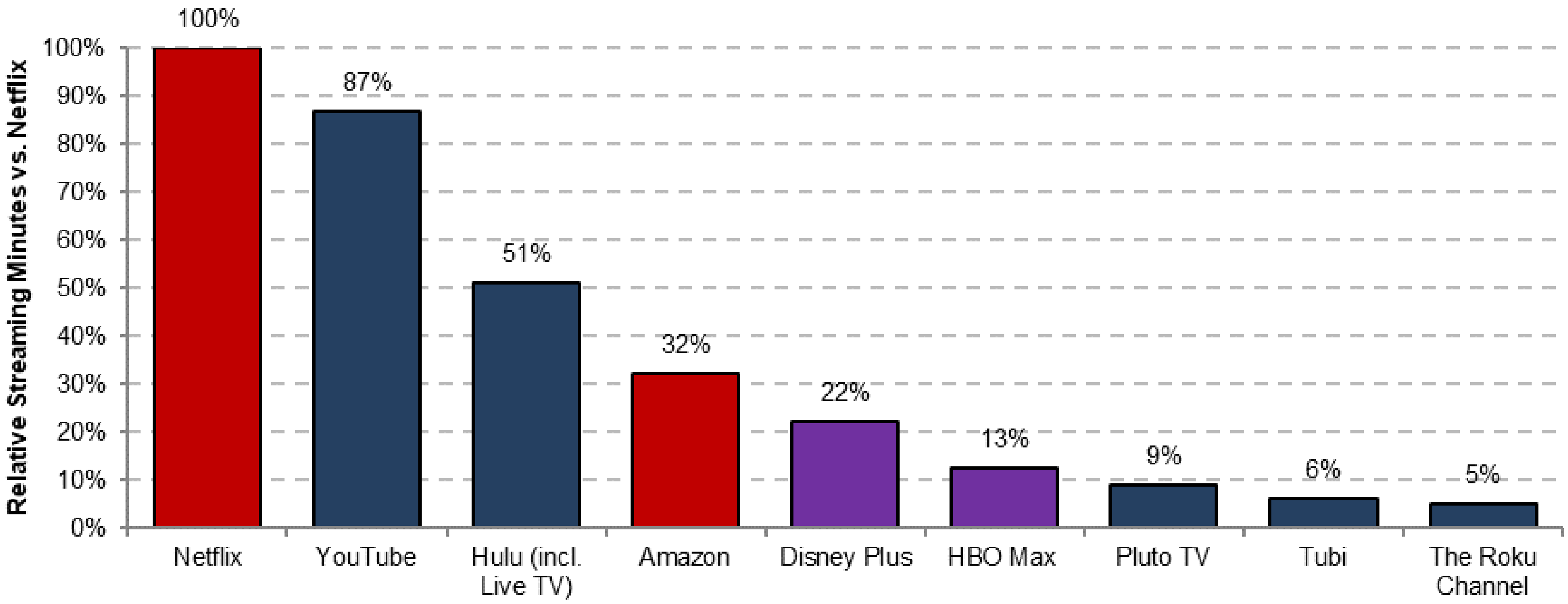
Source: Nielsen, MoffettNathanson analysis

Streaming is 29% of U.S. On TV Screen Consumption Hours (January 2022)



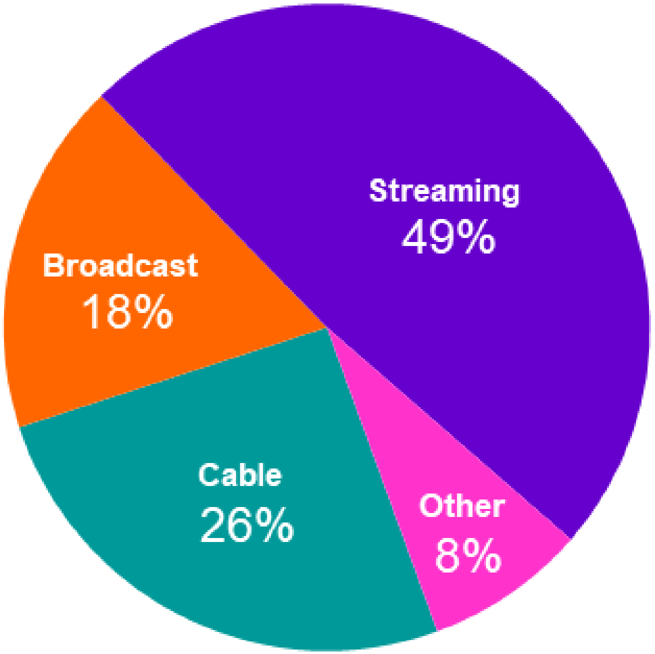
Source: Nielsen, MoffettNathanson analysis

Fourth Quarter 2021 Nielsen The Gauge – A Few Streaming Platforms Dominate the U.S.



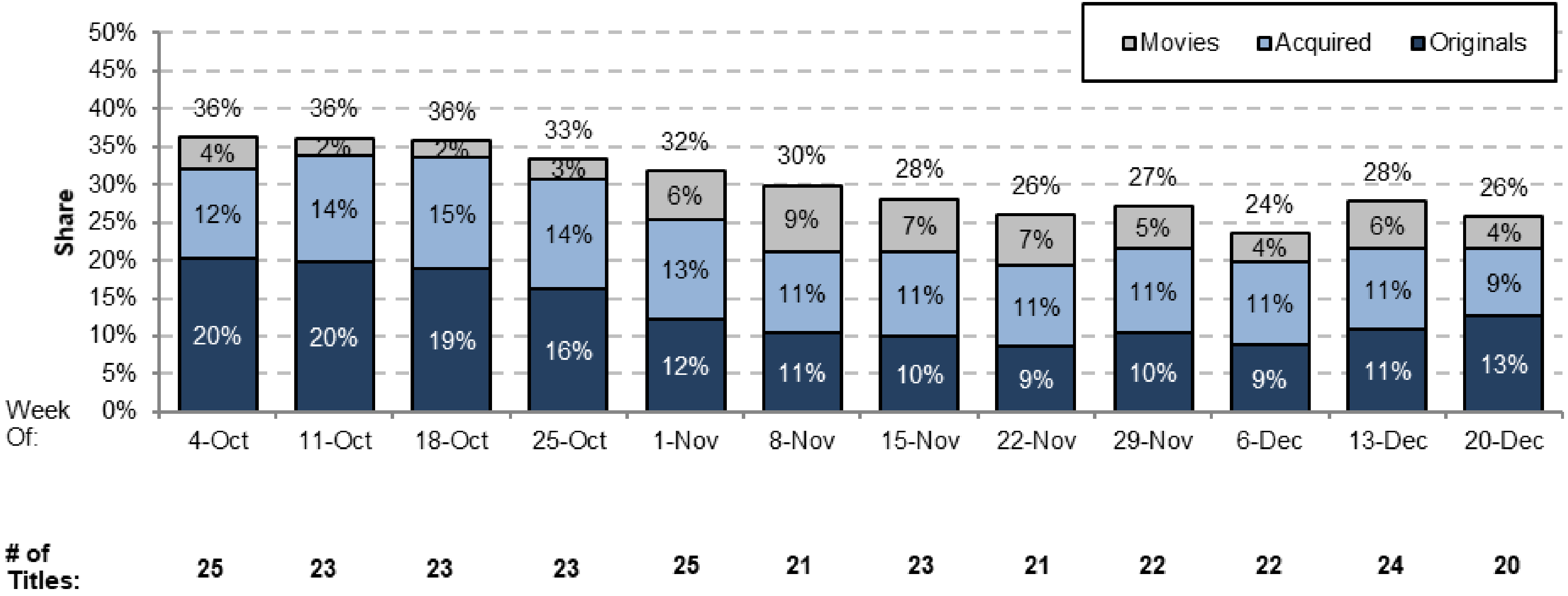
Source: Nielsen, MoffettNathanson analysis

Streaming Set to Reach ~50% of U.S. On TV Screen Consumption Hours in 3 Years



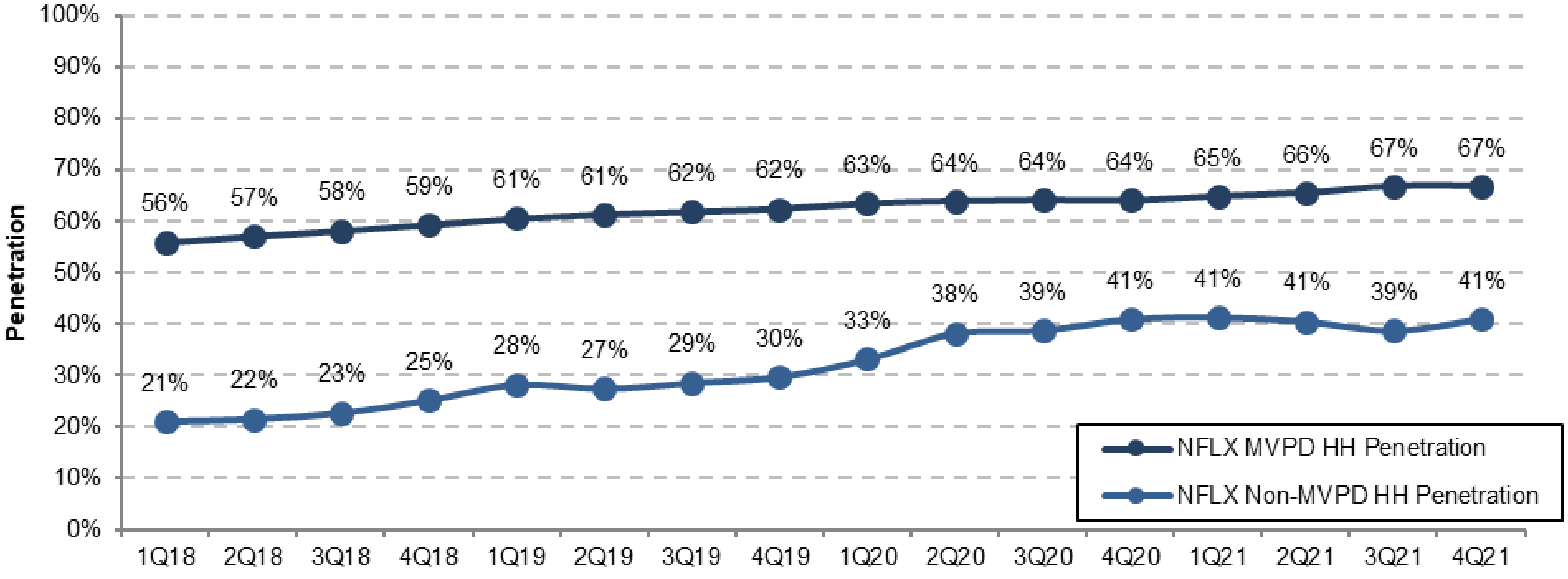
Source: Nielsen, MoffettNathanson analysis

Netflix Shows in Nielsen Top 10 Share of Total Time Viewed on Platform



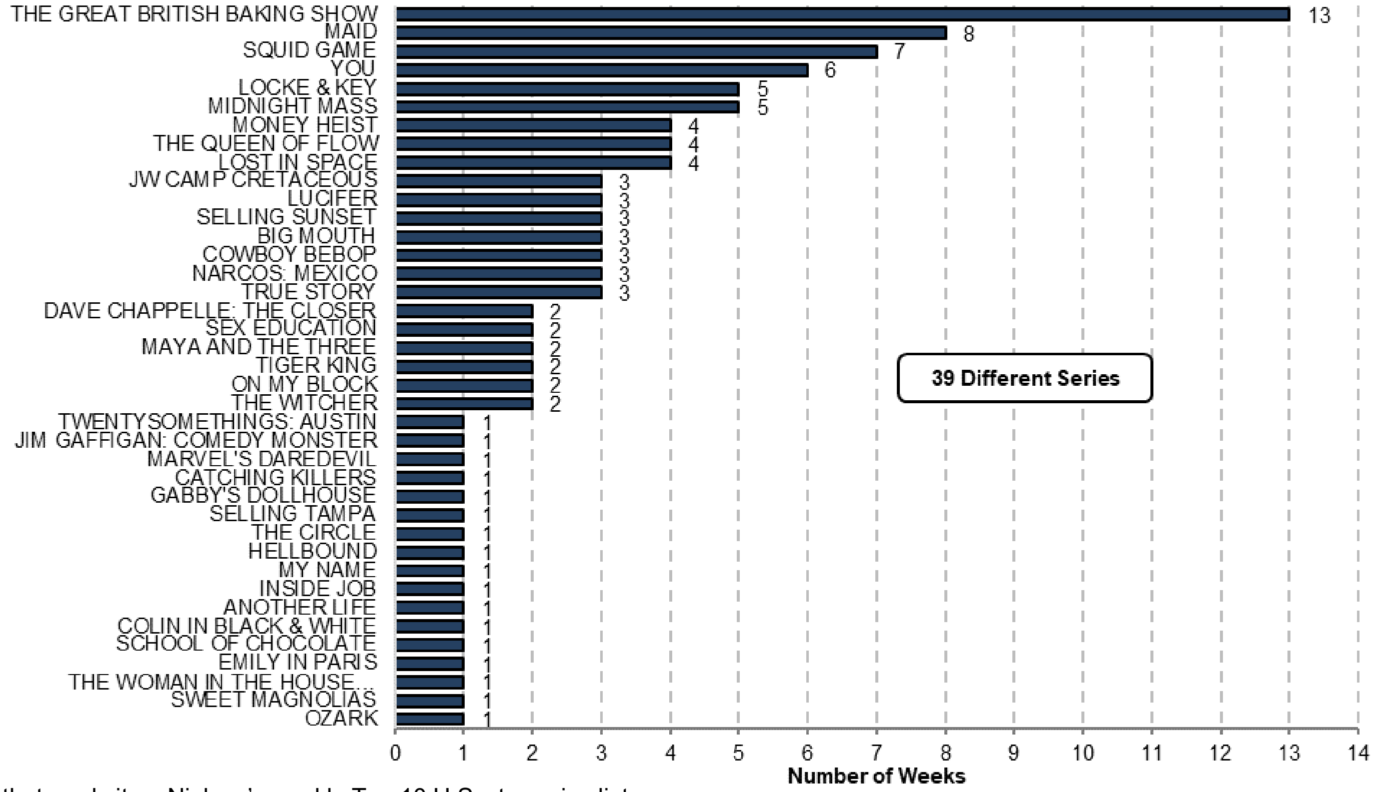
Source: Nielsen, MoffettNathanson analysis

Netflix Penetration of MVPD vs. Non-MVPD US TV Households



Source: Nielsen, Company reports, MoffettNathanson estimates and analysis

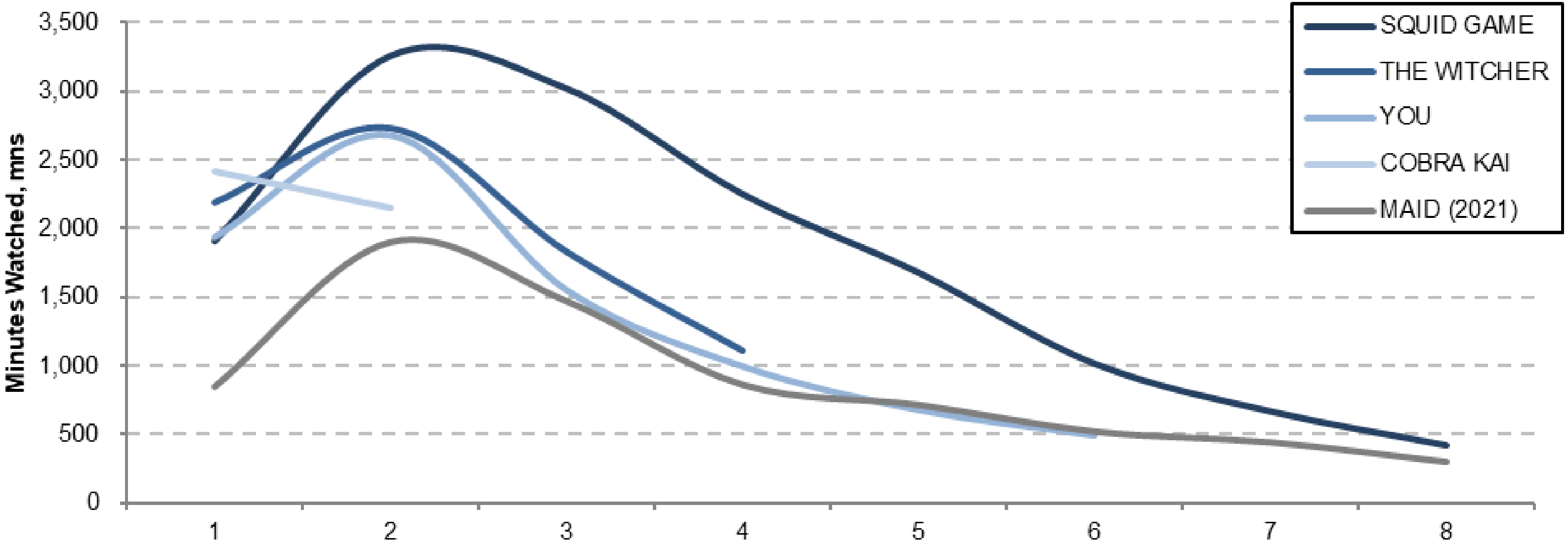
The Short Tail of Top Netflix Originals (4Q 2021)



* Top originals that made it on Nielsen's weekly Top 10 U.S. streaming lists

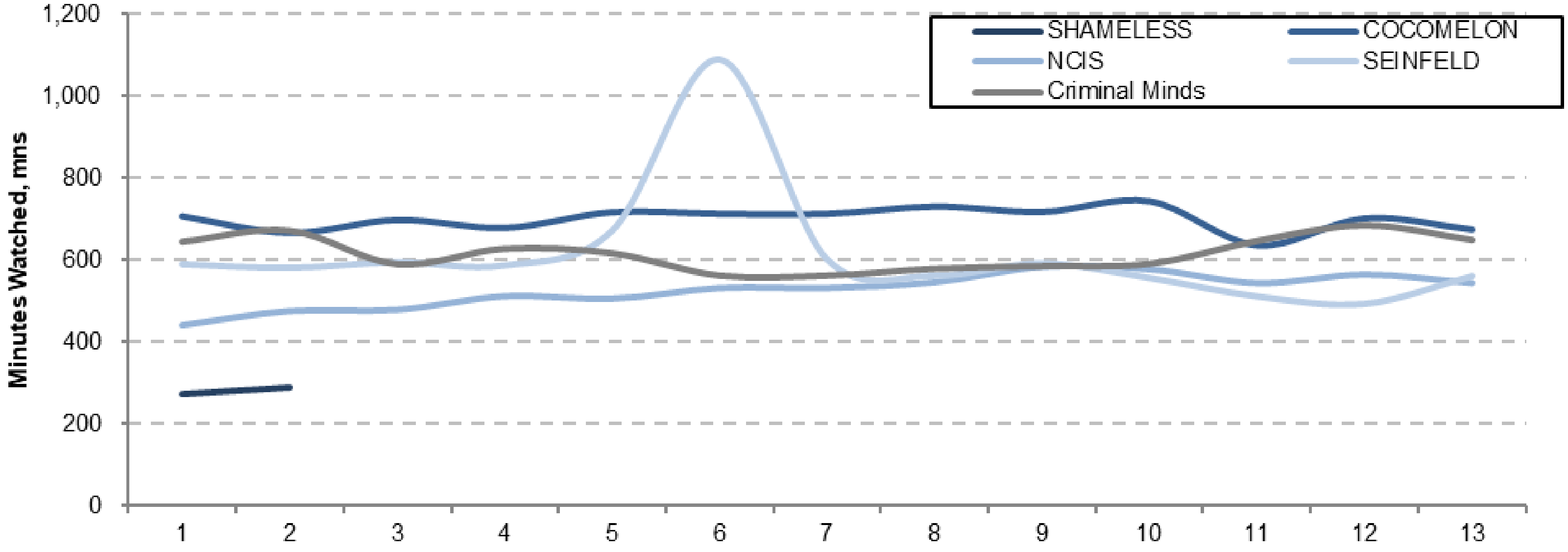
Source: Nielsen, MoffettNathanson analysis

Quick Fade of Top Originals



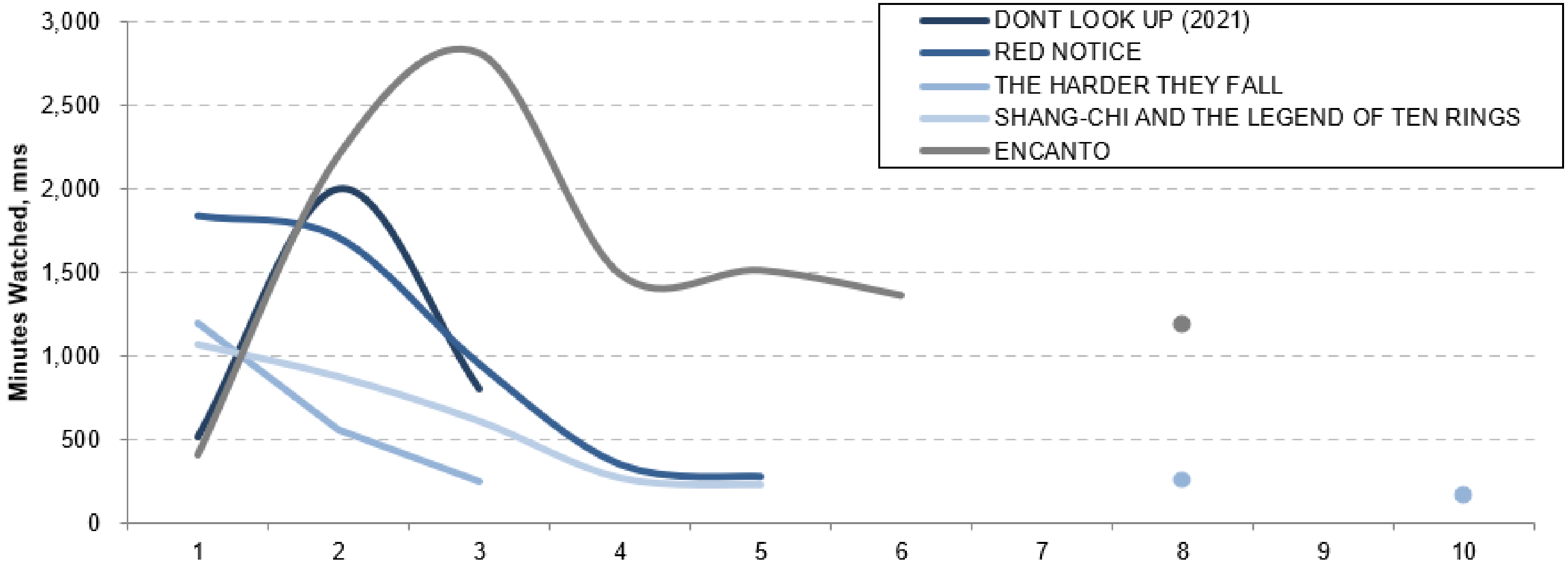
Source: Nielsen, MoffettNathanson analysis

Acquired – Strong and Steady



Source: Nielsen, MoffettNathanson analysis

Quick Fade of Top Movies



Source: Nielsen, MoffettNathanson analysis

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Spring 2022

National Client Meeting

March 29 - Virtual

Nielsen