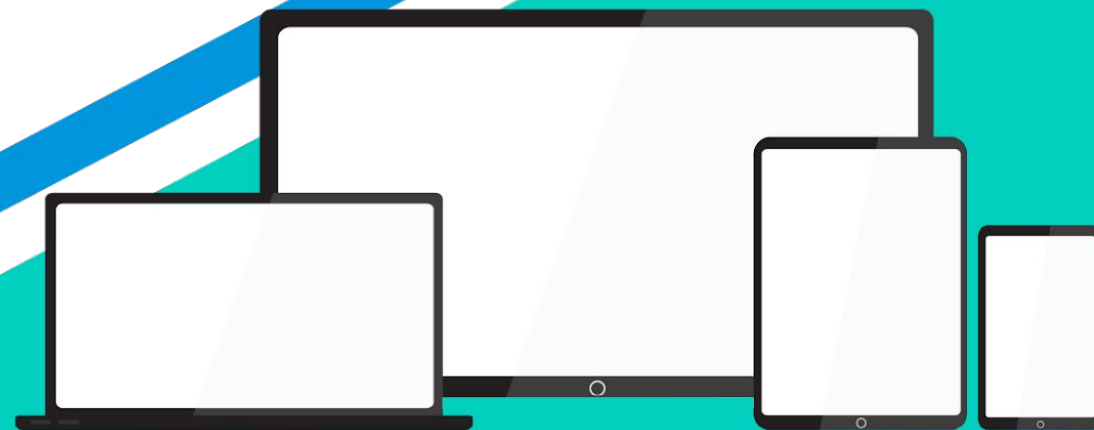




CROSS SCREEN
M E D I A

9 Billion Reasons to Care About Political Video Ads



Housekeeping #1: Can you take pictures of the slides with your phone?



@MichaelBeach

@XScreenMedia



@PremionMedia

#2022Pollies



Housekeeping #2: Level Set on Terms

1. **Video Ad Market** – This encompasses the entire video market including television (broadcast, cable, satellite, etc.) and digital (CTV/OTT, social, mobile/desktop, etc.)
2. **Local vs. National** – Local is any ad purchased with specific geography (zip codes through regions)
3. **Linear = Broadcast + Cable**
4. **CTV** is included in digital
5. **Targeted** – Any ad that is targeted to a specific 1st and/or 3rd party data set (CRM, etc.). This includes both addressable (1:1) as well as data-driven linear.
6. **Non-Targeted** – Any ad that is targeted to a traditional demo such as age/gender.

About me

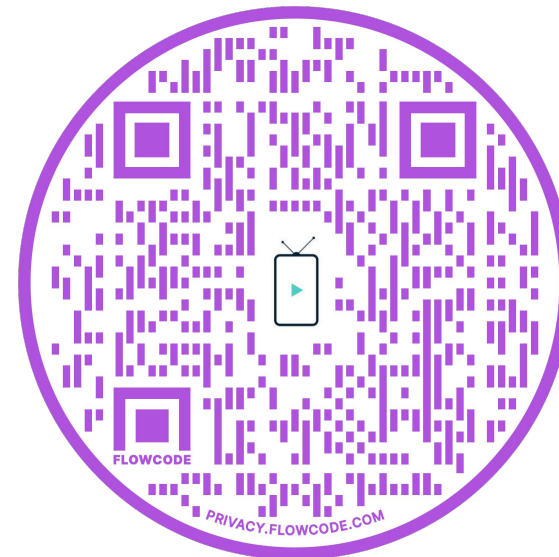


- **Current:**

- CEO @ Cross Screen Media (2017 - Present)
- Editor @ State of the Screens (2017 - Present)
- Managing Partner @ Screen Wars Fund (2020 - Present)

- **Past:**

- Co-Founder @ Targeted Victory (2009-16)
- National Field Director @ RNC (2007-08)



6 Big questions

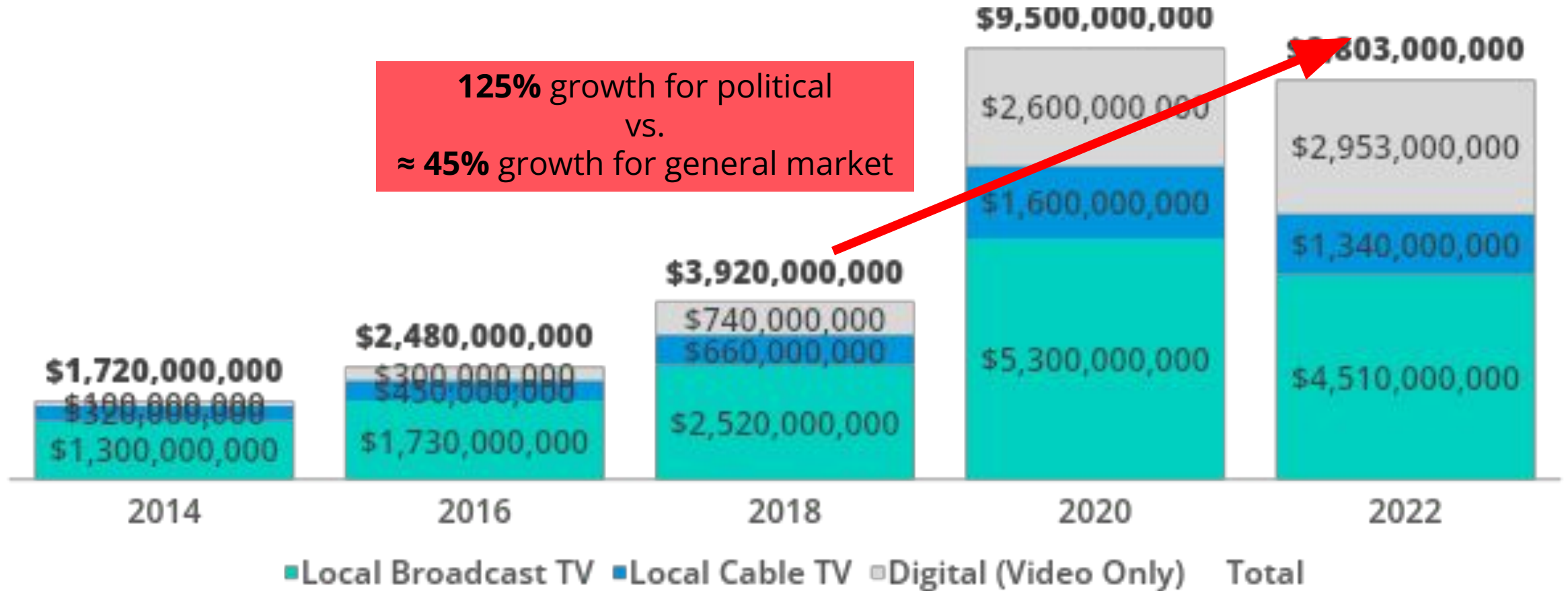
1. How does 2022 compare to past election cycles?
2. What is the breakdown between screen types across linear and digital video?
3. Where is consumer attention?
4. Does video ad spend line up with consumer attention?
5. How do we reach swing voters with video advertising in 2022?
6. Who will win the battle for CTV dollars?




Big question #1: How does 2022 compare to past election cycles?

Political = \$8.8B video ad market in 2021-22

125% growth vs. 2017-18



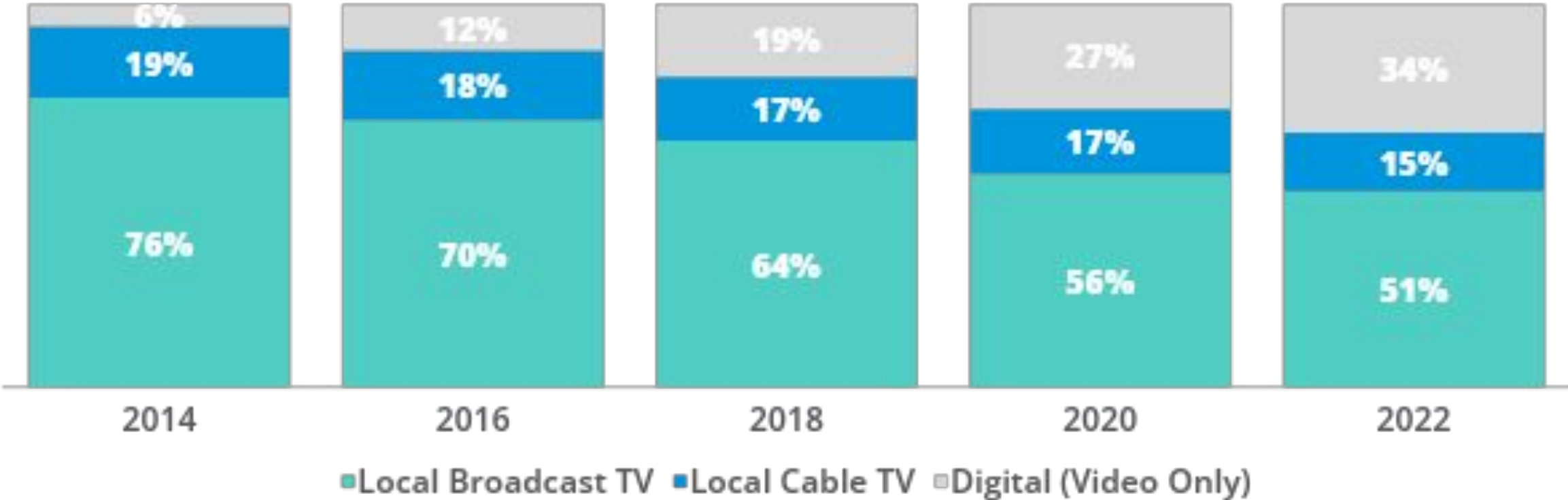
Source: AdImpact, Cross Screen Media (July 2021)



Big question #2: What is the breakdown between screen types across linear and digital video?

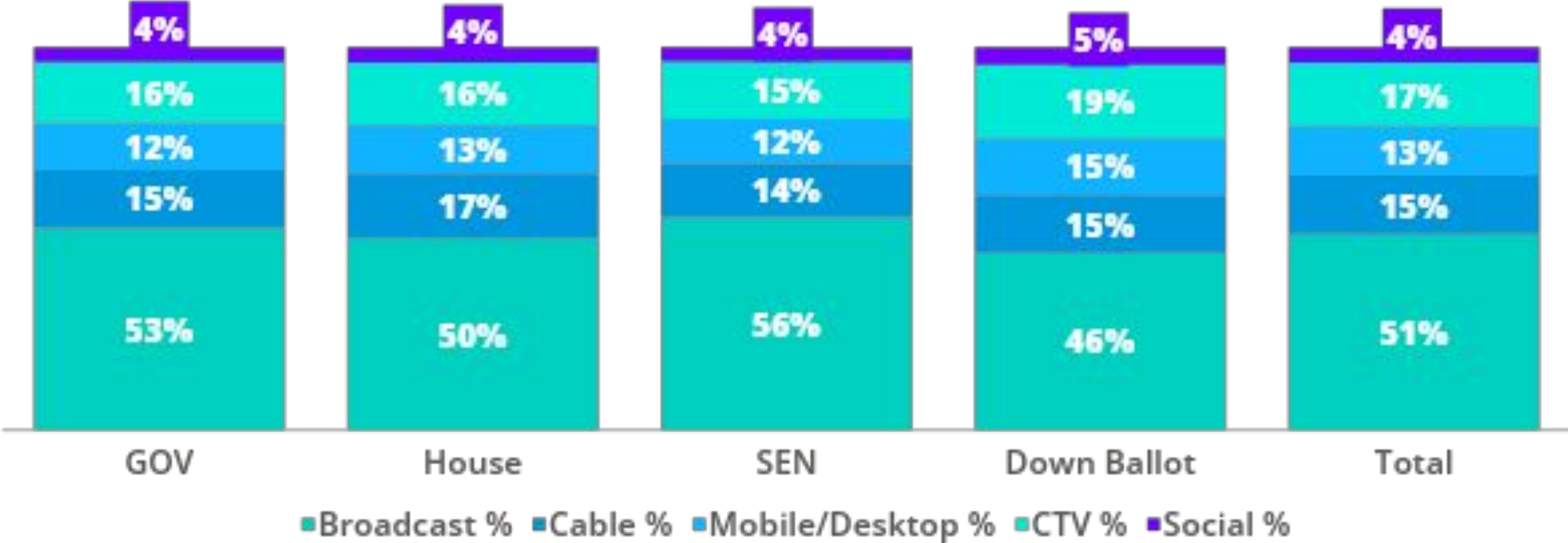
Political spend shifts to digital

34% of video spend in 2021-22 will be digital video



Source: Cross Screen Media, AdImpact (July 2021)

Share of video ad spend differs by election type



Source: AdImpact, Cross Screen Media (July 2021)

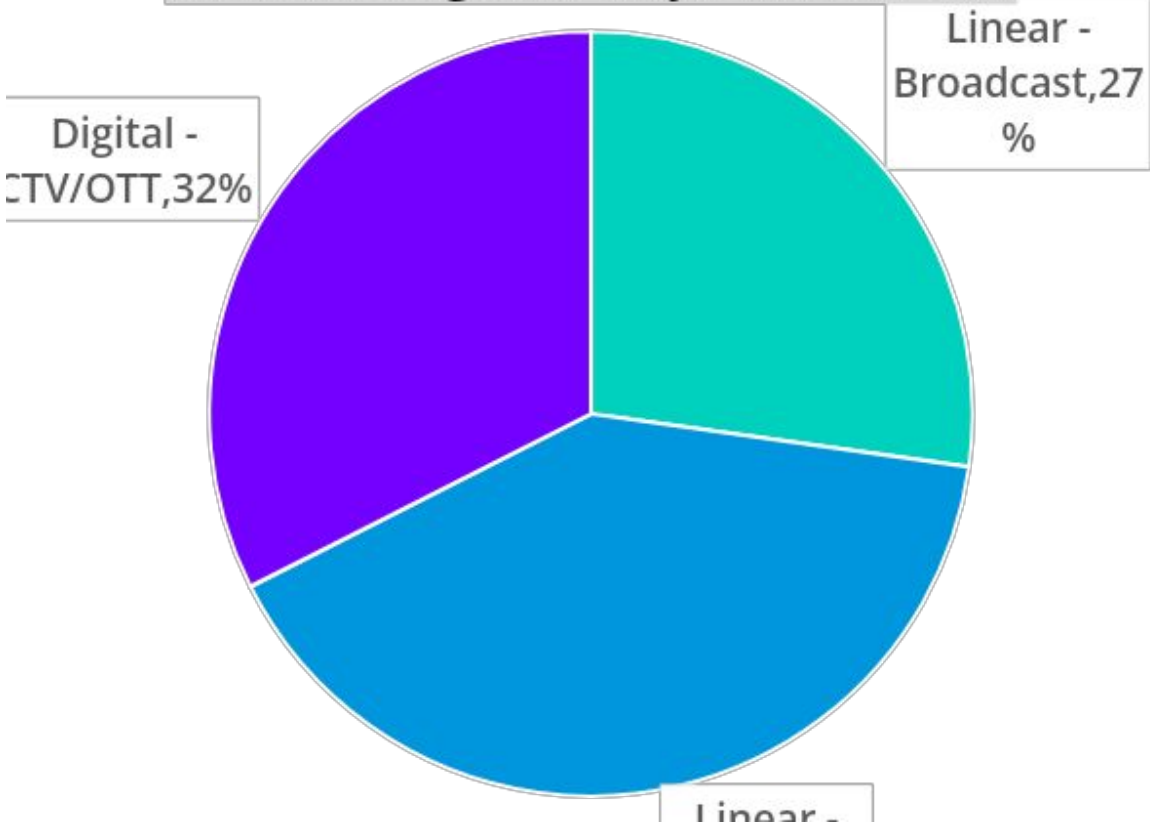
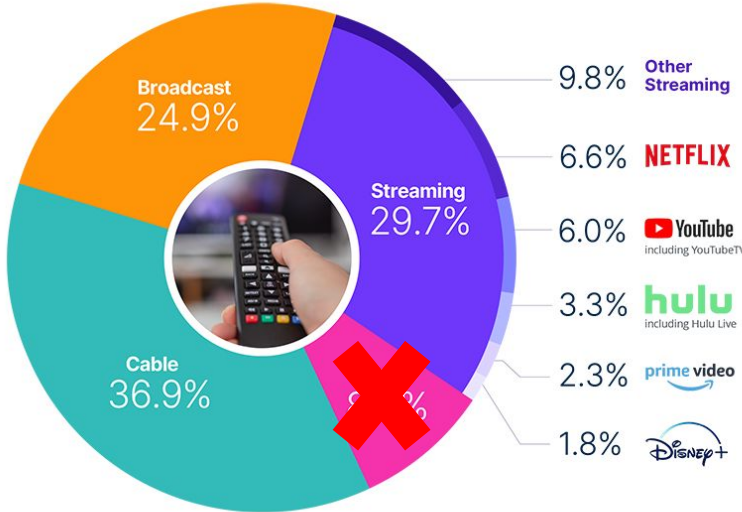


Big question #3: Where is consumer attention?

Streaming share of total TV time grew 71% since start of pandemic

Nielsen Gauge (TV only): **March 2022**

March 2022
**Total Day
 Persons 2+**

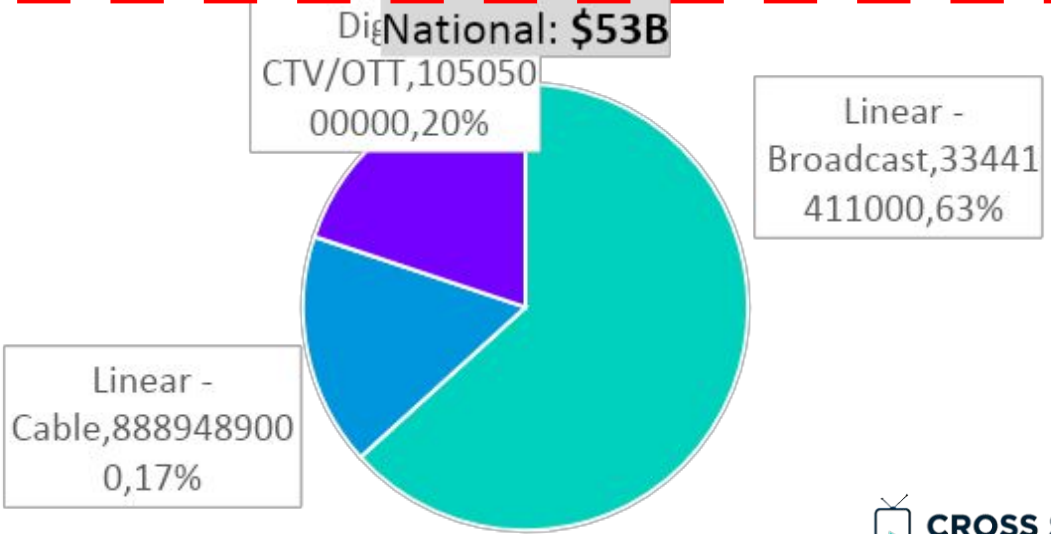
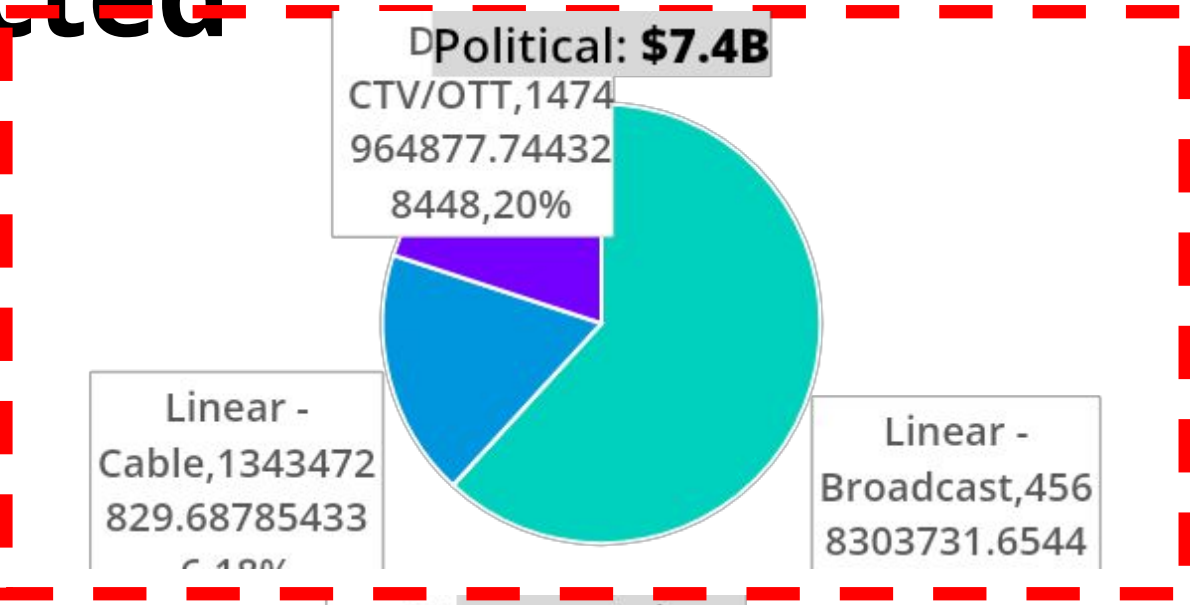
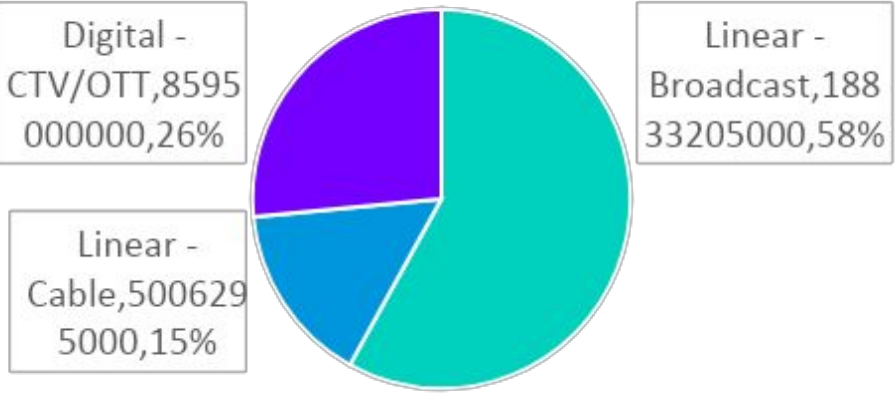
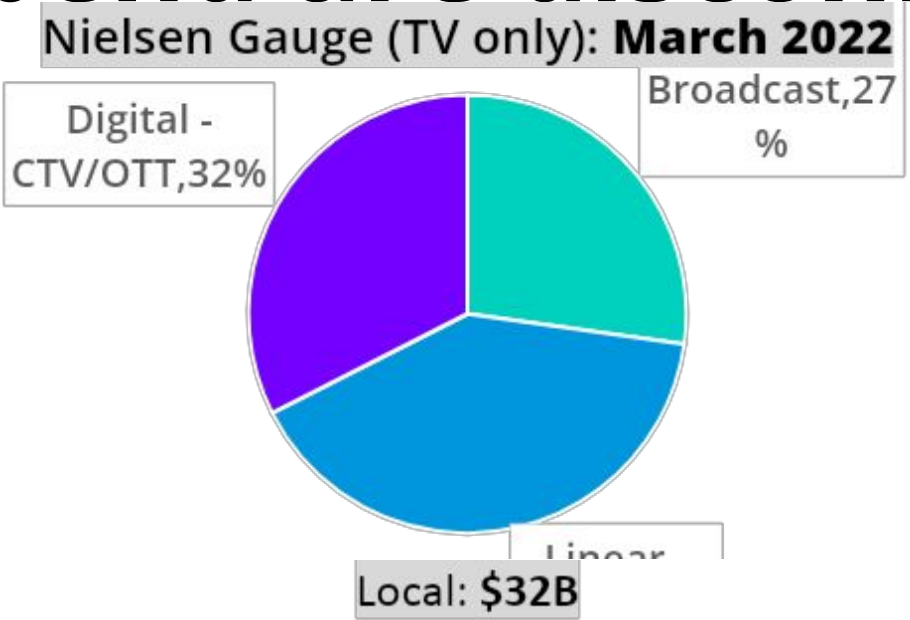



Updated: 2022-Q1
 Source: Nielsen



Big question #4: Does video ad spend line up with consumer attention?

Media consumption and share of ad spend are disconnected





Big question #5: How do we reach swing voters with video advertising in 2022?

How do 2022 swing voters compare to 35+?

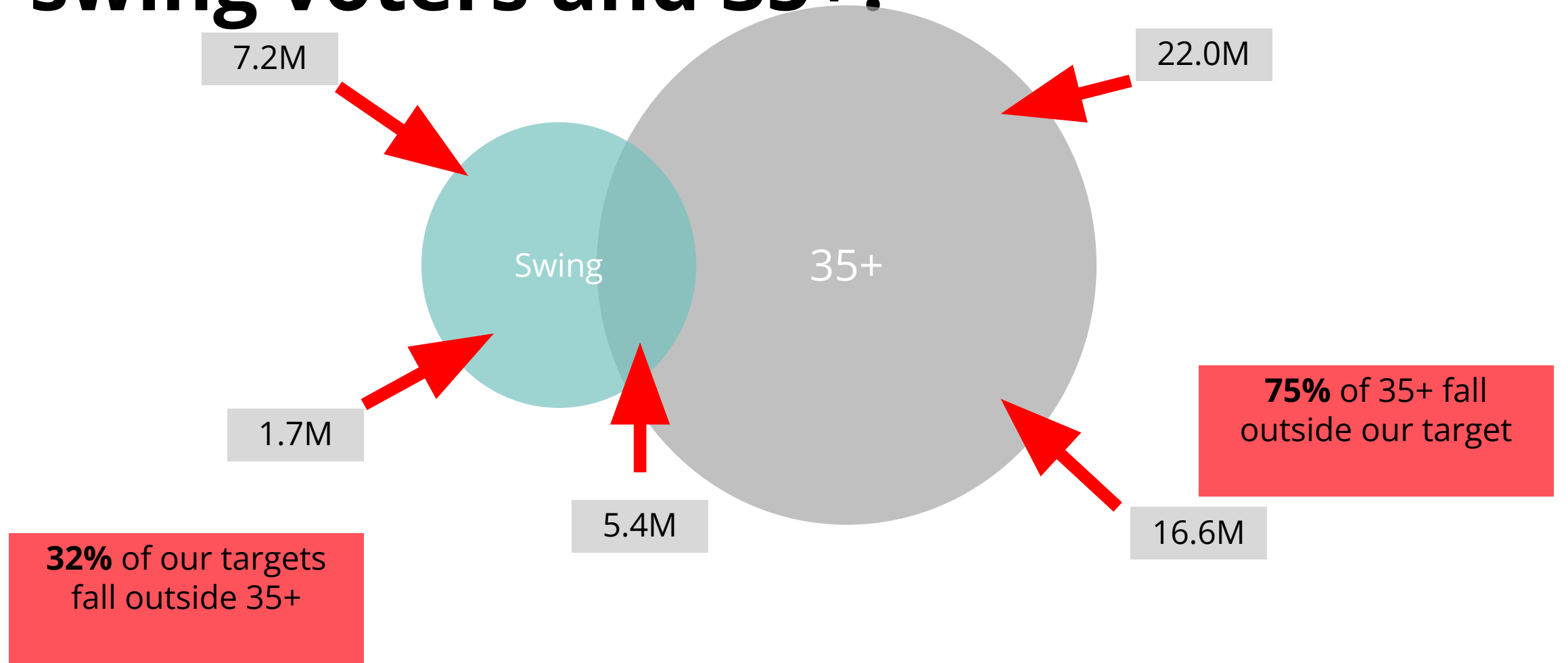
Audience: Likely mid-term turnout + Soft DEM, Soft REP and Swing

Markets: Atlanta, Las Vegas, Milwaukee, Minneapolis-St. Paul, Philadelphia, Phoenix (Prescott), Raleigh-Durham and Tampa-St. Pete (Sarasota)

	2022 Swing	35+
Individual	7.2M	22.0M
Households	5.2M	10.3M
Average Age	49	58
Nielsen HH	14.3M	14.3M
Share of Nielsen HH	36%	72%

Source: Cross Screen Media

What is the overlap between 2022 swing voters and 35+?



Source: Cross Screen Media

How will political campaigns reach swing voters with video in 2022?

		Max Reach %	Exclusive Reach %	Actual Reach %
Linear	Local Broadcast	94%	16%	60%
	Local Cable	52%	0%	45%
Digital	CTV	29%	1%	30%
	Mobile/Desktop	58%	0%	60%
	Social Video	58%	0%	60%

Source: Cross Screen Media

How will our budget match up to reach/frequency?

		Actual Reach	% of Budget	% of Frequency	eCPM
		%			
Linear	Local Broadcast	60%	51%	40%	\$92
	Local Cable	45%	15%	20%	\$54
Digital	CTV	30%	17%	24%	\$50
	Mobile/Desktop	60%	13%	13%	\$70
	Social Video	60%	4%	2%	\$125

Key fact: Average eCPM with this mix = \$73

Source: Cross Screen Media

How does our eCPM differ by market?

Media Market	eCPM
Milwaukee	\$38
Minneapolis-St. Paul	\$41
Raleigh-Durham	\$66
Las Vegas	\$77
Atlanta	\$82
Philadelphia	\$85
Tampa-St. Pete (Sarasota)	\$117
Phoenix (Prescott)	\$118

Source: Cross Screen Media



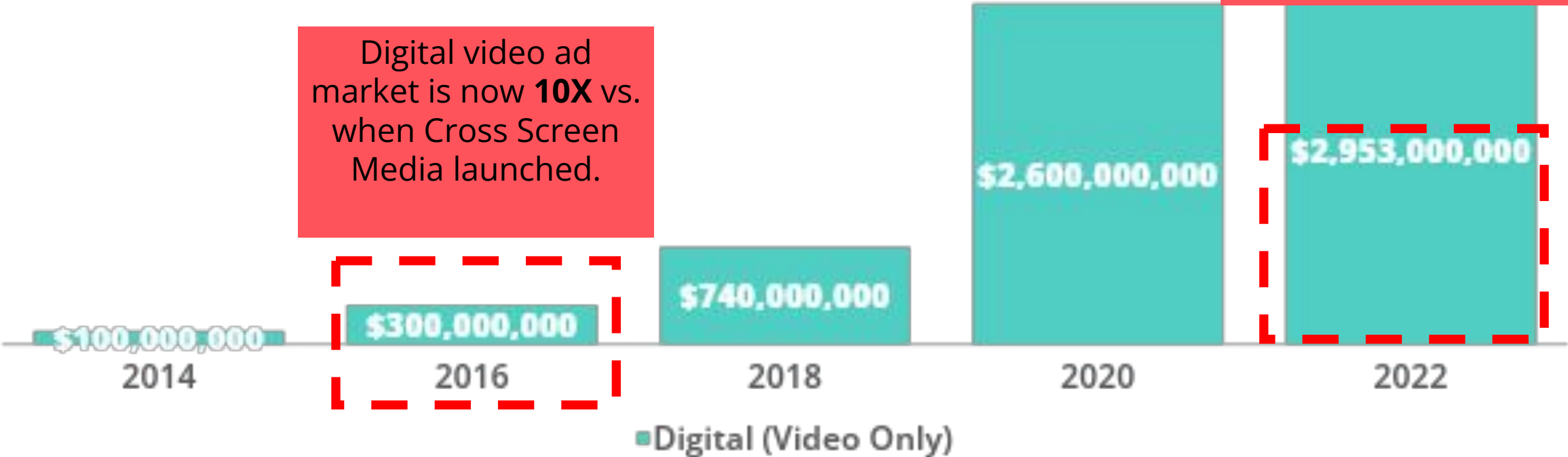
Big question #6: Who will win the battle for CTV dollars?

Digital video grows in politics behind CTV explosion

\$2.3B in additional spend vs. 2017-18

CTV = 50% (\$1.5B) of all digital video advertising in 2022

Digital video ad market is now 10X vs. when Cross Screen Media launched.



Source: Cross Screen Media, AdImpact (July 2021)

60% believe that digital buyer will win CTV spend in politics



The balance of power may shift toward the digital buyer, but knocking down silos is critical.

60% of strategists we interviewed told C&E they think it will be the digital buyers and/or the digital teams who will end up taking the lead when it comes to purchasing CTV. The slightly more complex nature of digital buying, with the need to understand the metrics unique to the digital space are the primary reasons most gave the upper hand to the digital side.

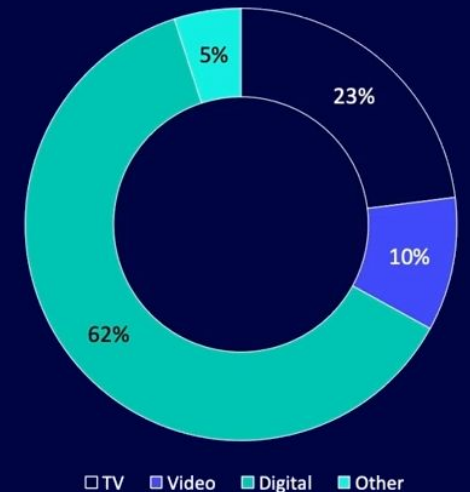
But as those silos continue to break down, the likelihood is that we move toward a much more collaborative process that mimics the way agencies have been shifting internally in recent years.

"I think that where we are moving as an industry is away from one individual controlling all of the decisions and more of a collaborative environment in which consultants, whether they be TV or digital consultants, are working toward an audience-first solution for the campaign that's going to be strategic."

Ryan Fanning, DSPolitical

But stewardship is often siloed with different teams

Which team is most responsible for your CTV/OTT media buying?



TechValidate, September 2021

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mediaocean

Source: Premion, Mediaocean

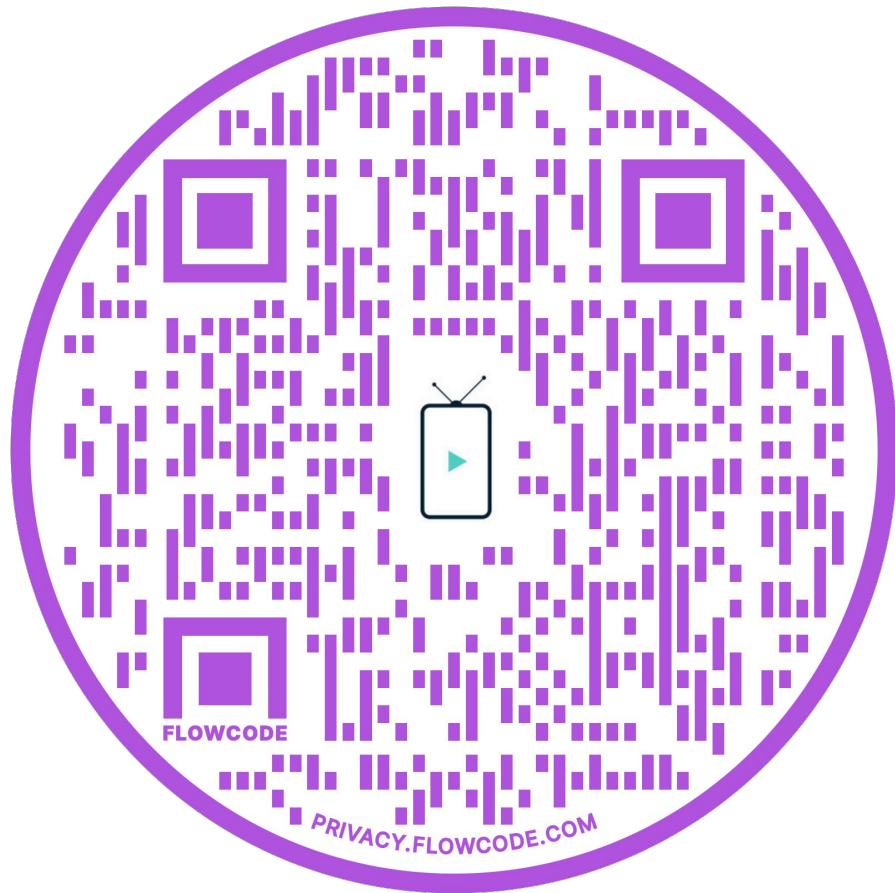
Cross-screen tech = huge advantage for CTV

	Cross-screen planning, activation and measurement		
	TV Buyer	Digital Buyer	Who wins CTV?
Scenario #1	✗	✗	Digital Buyer
Scenario #2	✗	✓	Digital Buyer
Scenario #3	✓	✗	TV Buyer
Scenario #4	✓	✓	Jump Ball

Rules for allocating video ad budgets in 2022

- 1** Cross-screen video tech can return 10X the investment in improved reach/frequency
- 2** Don't let a digital buyer pick your video allocation unless they can explain the TV part of the buy
- 3** Don't let a TV buyer pick your video allocation unless they can explain the digital part of the buy

Many thanks!!!



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MichaelBeach.com