

egta

CEO & Top Execs Survey



July 2019

egta.



"If we - as an industry - are to compete against international online platforms, it is all about competing on content, and collaborating on tech, currency, measurement and more. This common sense will help us create a truly seamless total video experience for both advertisers and users."

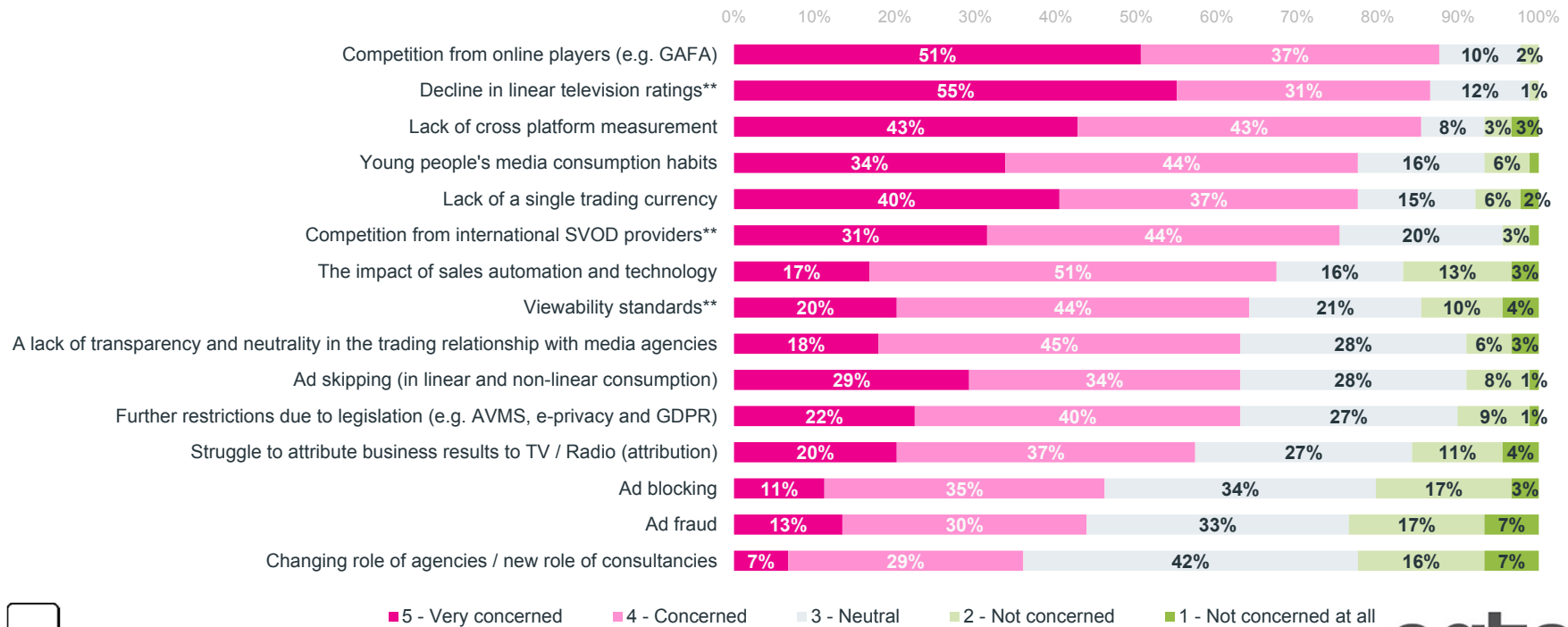
Malin Häger
Sales Director & Chief Commercial Officer
TV4 Sales



Challenges – TV

The top 3 challenges among egta TV members' sales houses are competition from online players, decline in linear TV ratings and lack of cross platform measurement.

Q: As a senior decision-maker in your company, how concerned are you about the following issues?



** TV and TV & Radio respondents only

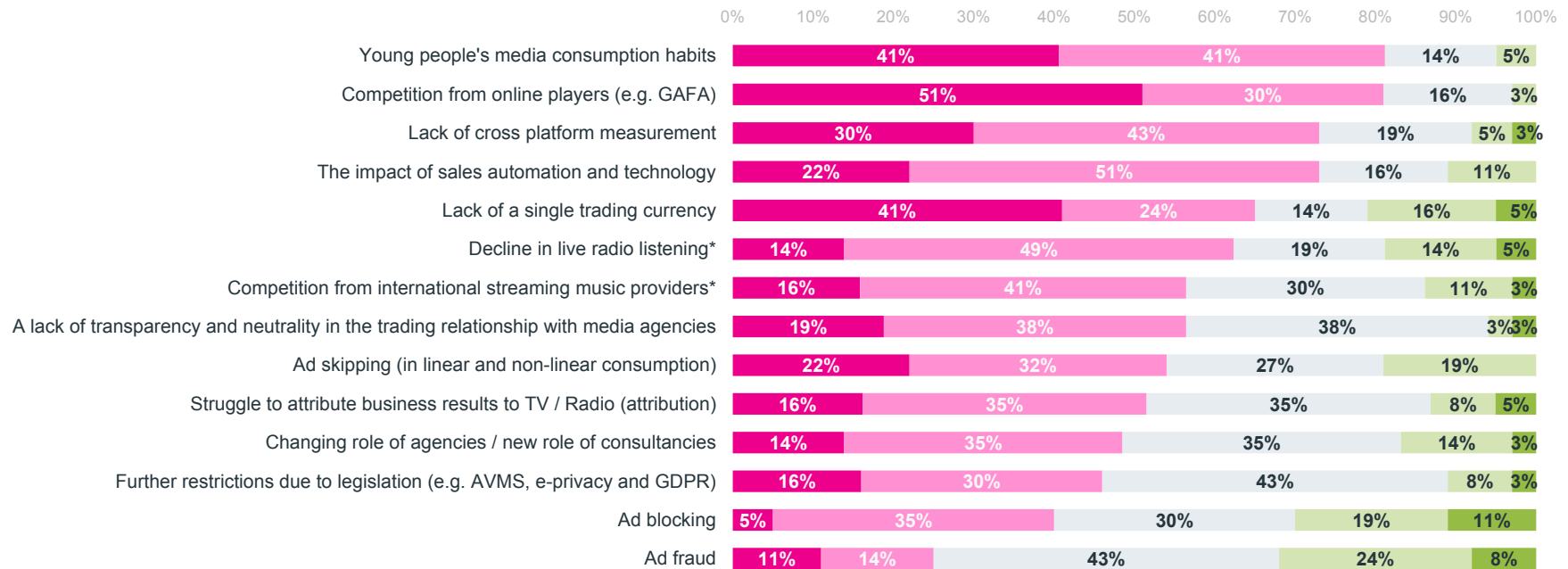


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Challenges - Radio

Egta radio members' sales houses are the most concerned about young people's media consumption habits and competition from online players.

Q: As a senior decision-maker in your company, how concerned are you about the following issues?



5 - Very concerned 4 - Concerned 3 - Neutral 2 - Not concerned 1 - Not concerned at all

* Radio and TV & Radio respondents only



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"In an age of audience, it's all about finding new ways for listeners to access the great content we have in abundance. In this battle for time and attention, Total Radio embraces innovation with plenty of opportunities with regards to personalisation, podcasting, streaming, on-demand radio and more – which will all contribute to a growing advertising market."

Saskia Schatteman,
Chief Executive Officer
VAR



Challenges

In 2017 and 2019 top challenges for egta TV and Radio members' sales houses remain relatively the same, aside from the "competition from SVOD providers", which appears in the top 5 challenges in 2019.

Q: As a senior decision-maker in your company, how concerned are you about the following issues?

2017

Audience measurement and the lack of a single trading currency

Competition from online players (e.g. GAFA)

Young people's media consumption habits



Decline in linear television viewing**

Lack of transparency & neutrality in trading relationship with agencies

2019



Decline in linear television ratings**

Competition from online players (e.g. GAFA)

Lack of cross platform measurement

Young people's media consumption habits



Competition from international SVOD providers**



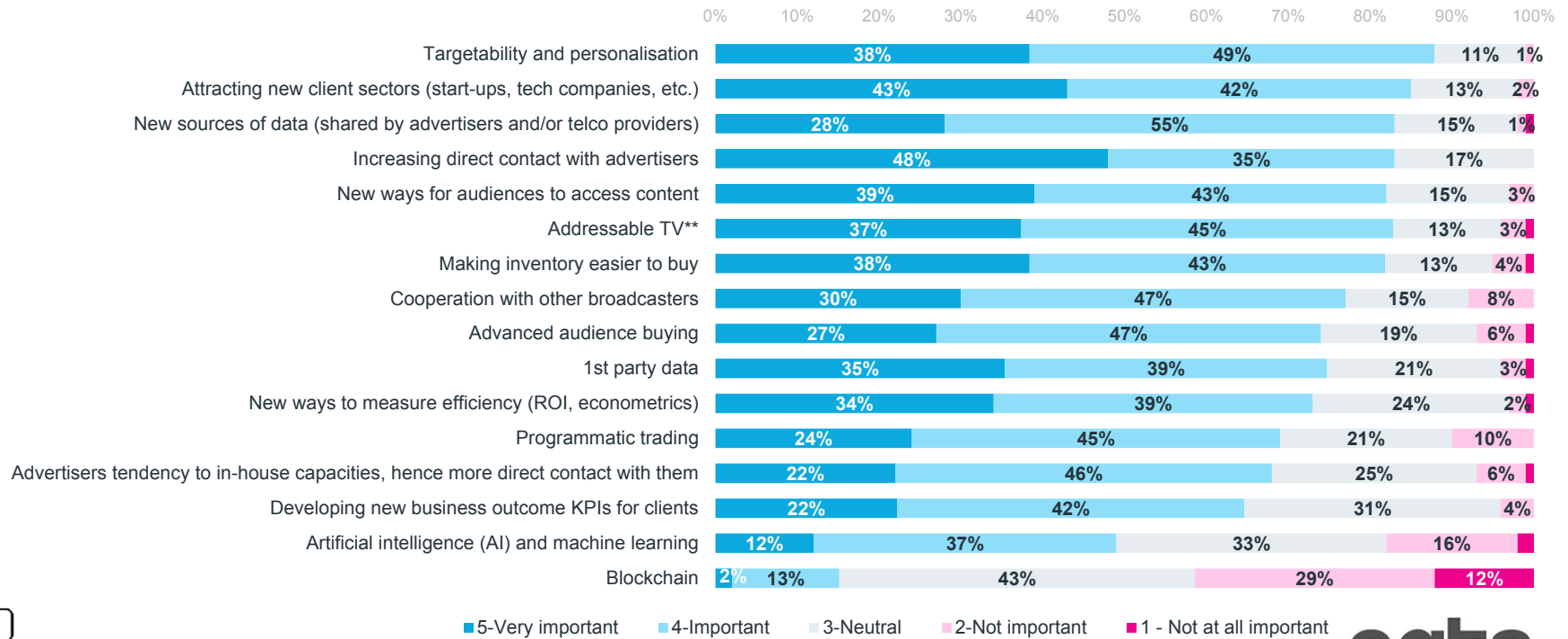
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** TV and TV & Radio respondents only

Opportunities - TV

Approximately 9 in 10 egta TV members' sales houses perceive targetability & personalisation as an *important* or *very important* opportunity for their company in the next three years.

Q: How significant will the following opportunities be for your company in the next three years?



**TV and TV & Radio respondents only



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"We need to experiment and continuously push the envelope with regards to targetability, personalisation and more to advance our industry. As addressable advertising is going to vary per market, we need to dig deeper into the data value, the return on investment and the scalability."

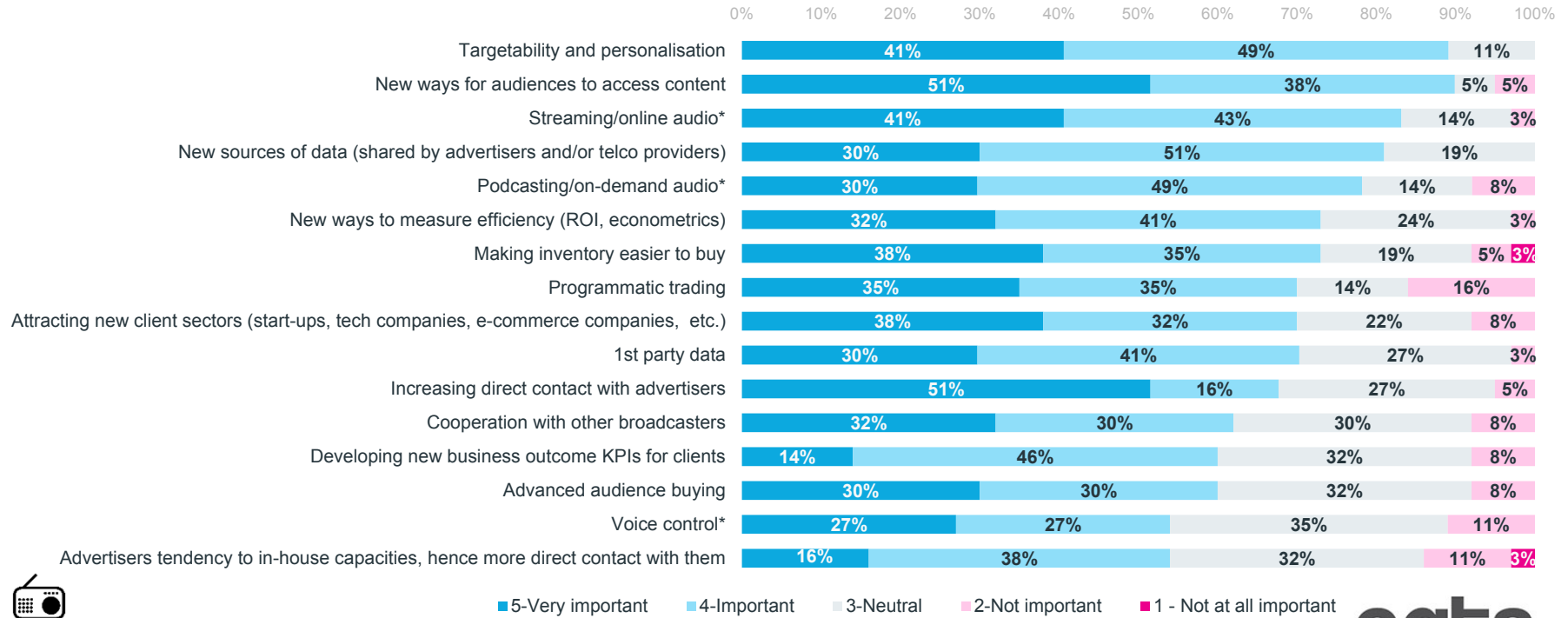
Christian Kurz
Senior Vice President Global Consumer Insights
Viacom

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INTERNATIONAL
MEDIA NETWORKS

Opportunities - Radio

Top opportunities in the next 3 years among egta radio members' sales houses are targetability and personalisation, and new ways of audiences to access content.

Q: How significant will the following opportunities be for your company in the next three years?



*Radio and TV & Radio respondents

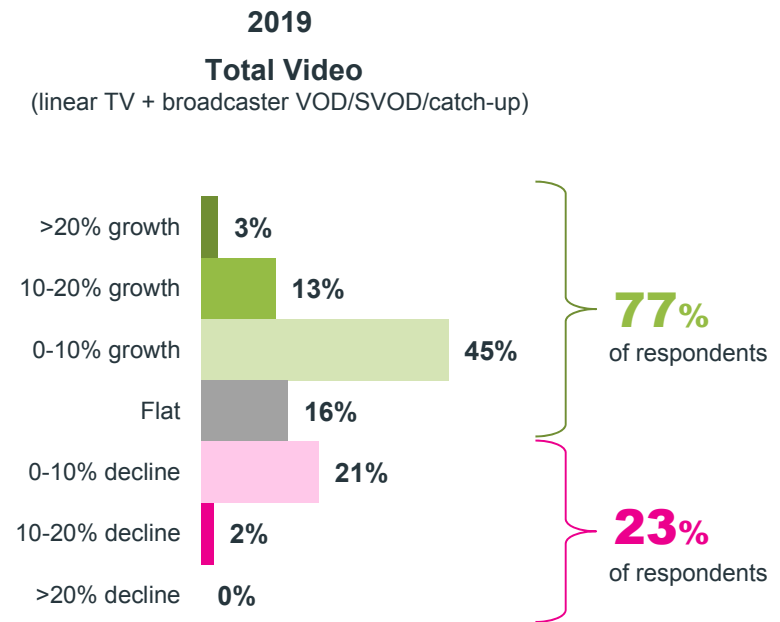
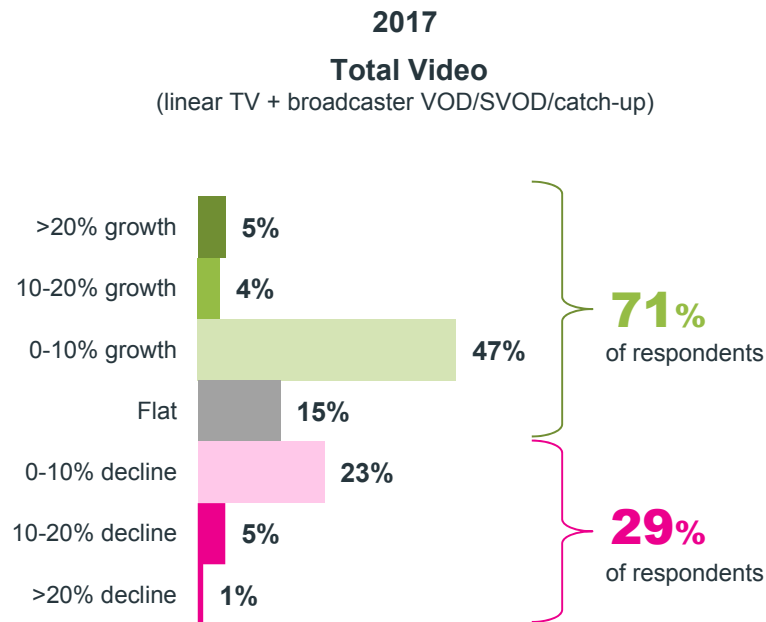


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Future advertising market

egta TV members' sales houses are positive about the future advertising market. More than 7 out of 10 top managers predict growth or stability in ad spend for Total Video over the next 3 years.

Q: Do you expect the Total Video advertising market in your country to grow or decline by 2022?



TV and TV & Radio respondents only



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"We're living in an era where it's no longer about linear or non-linear TV. When we're in contact with marketers every day, we see they're overwhelmed with solutions and fragmented media. We need to be the guiding light that helps them find the audiences where they are today, helping advertisers and their brands as a trusted partner with insights in this Total Video ecosystem."

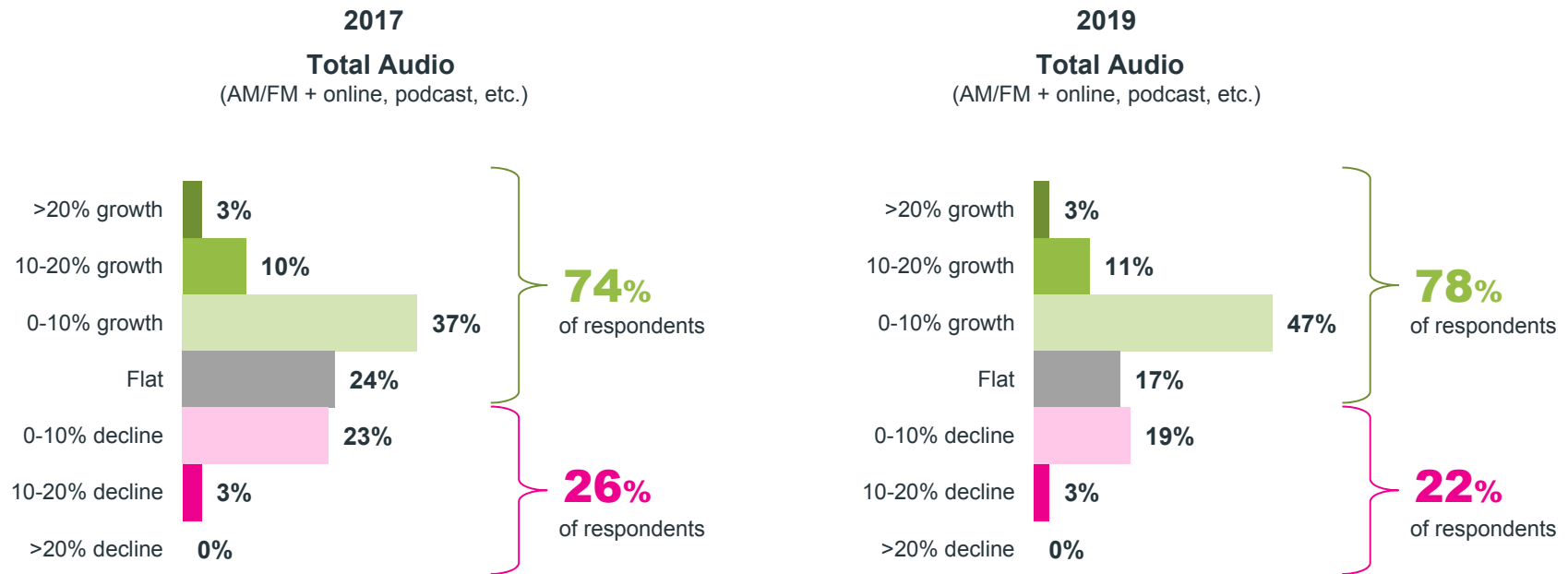
Stéphane Coruble,
Chief Executive Officer
RTL AdConnect

RTL/AdConnect

Future advertising market

In 2017, 74% of egta radio members predicted growth or stability to Total Audio market over the next 3 years, while in 2019 78% of egta radio members predicts so.

Q: Do you expect the Total Audio / Radio advertising market in your country to grow or decline by 2022?



Radio and TV & Radio respondents only

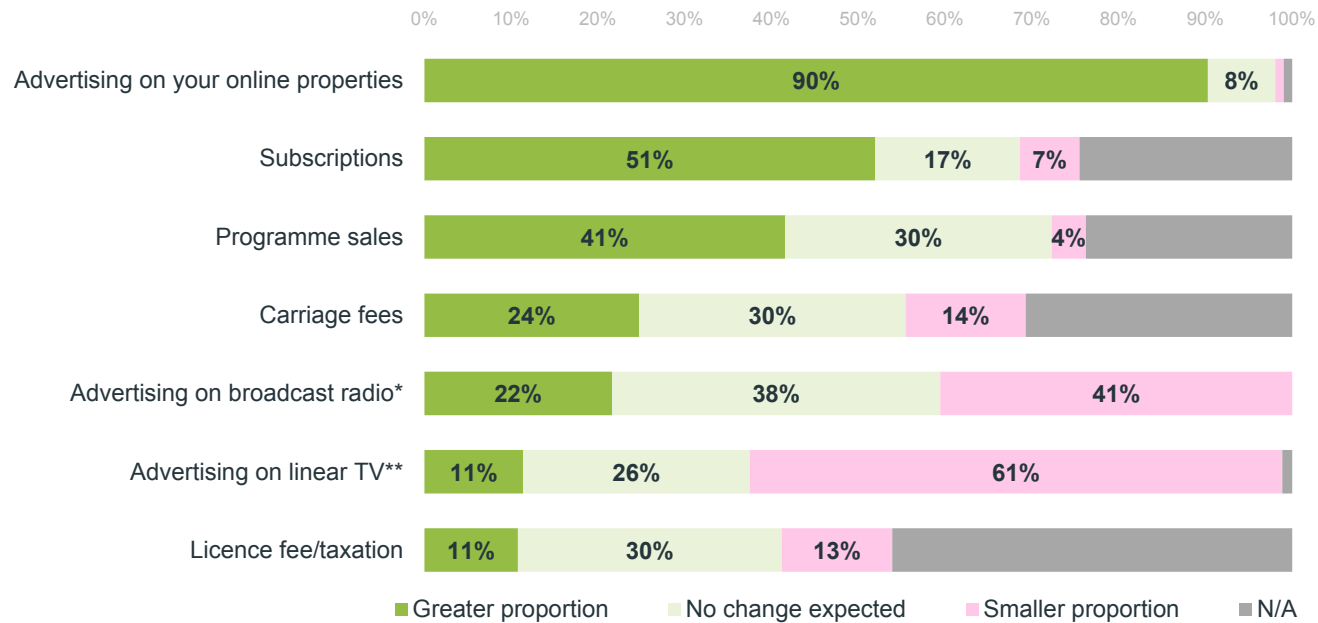


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Sources of revenue

egta members' c-suite executives believe that by 2022 greater proportion of revenues will be coming from online channels rather than from linear.

Q: Do you expect the following sources of revenue to represent a greater or smaller proportion of your revenues by 2022 compared to now?



Other sources expected to become more important:

- Branded content
- Targeted advertising on linear TV
- Digital out-of-home, SmartTV
- Real-world brand expressions: Consumer Products, Live Events, Location Based Experiences, and their extensions
- Connected TV & Digital audio advertising
- Trade marketing - Events on territory



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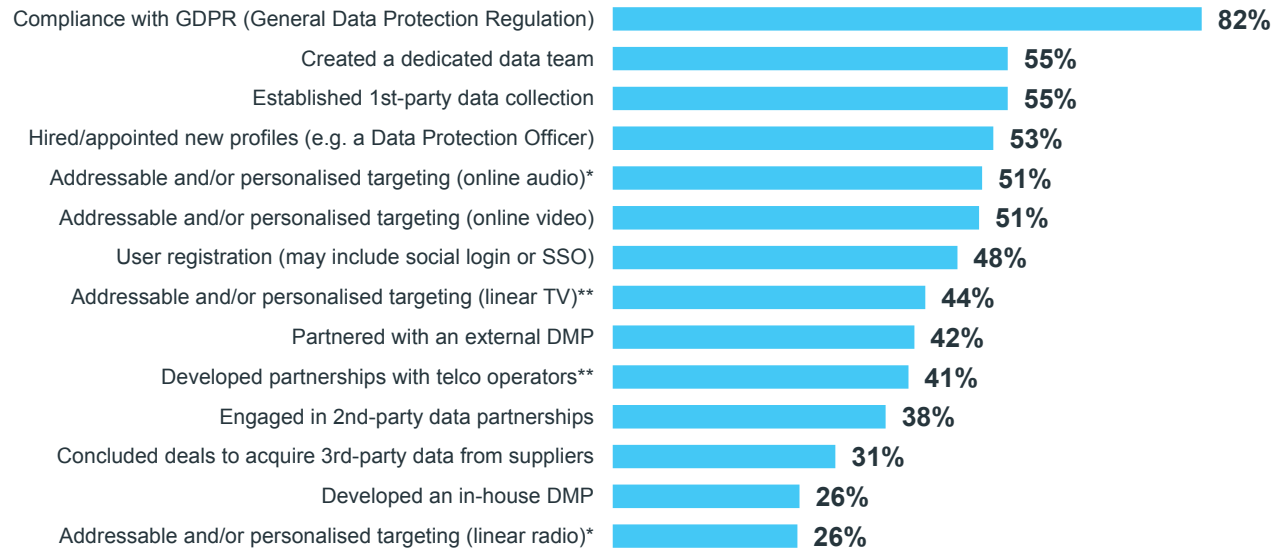
"For us at the Canadian Broadcasting Corporation, the bar is set high. As streaming video grows and younger viewers move online, we've been incessantly innovating to follow audiences online - as a multiplatform player amid fast-changing viewer habits. In our unique position, bridging the US and European market, we're focussing on building the right infrastructure as we expect more revenue from online in the coming years."

Jean Mongeau,
General Manager & Chief Revenue Officer Media Solutions
CBC/Radio-Canada

Data strategy

When putting a data strategy into place, a vast majority of egta member's sales houses have taken action to be compliant with the GDPR and over half of them created a dedicated data team.

Q: Has your company deployed the following as part of its data strategy? Please select all that apply



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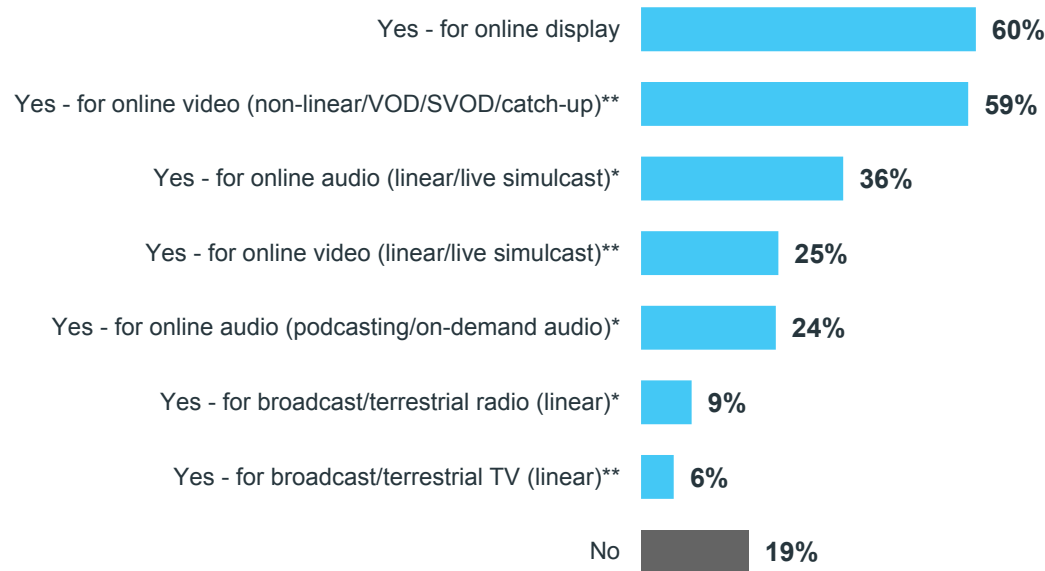
Please note, data includes responses from 8 non European markets where GDPR policy does not apply



Programmatic advertising

6 out of 10 egta members' sales houses employ programmatic advertising for their online display and for online video (non-linear/VOD/SVOD/catch-up) properties.

Q: Does your company employ programmatic advertising? Please select all that apply



Additional comments:

- For digital Out-of-Home
- Direct deals and RTB as well
- Programmatic direct/ self service platform for linear TV
- Only remnant inventory
- We have technology for transfer data to the Client's programmatic by using opened protocol



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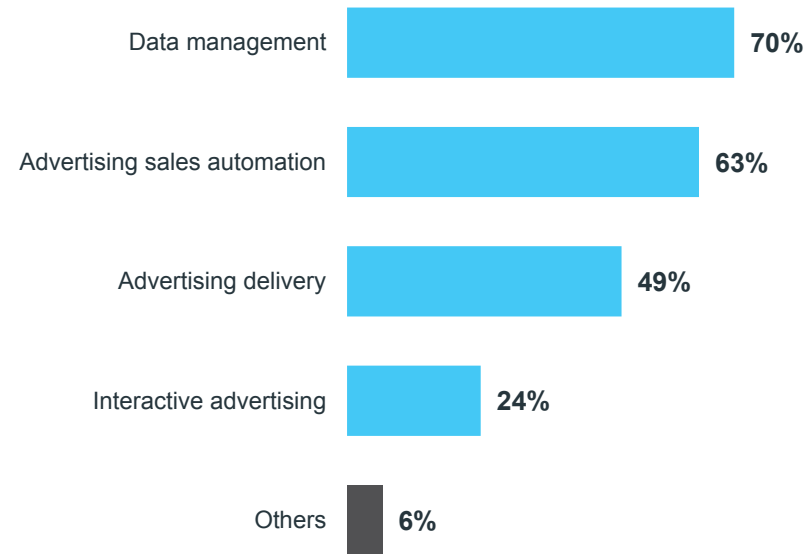
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Adtech

Most of egta members' sales houses have added data management and advertising sales automation capabilities to their adtech stack.

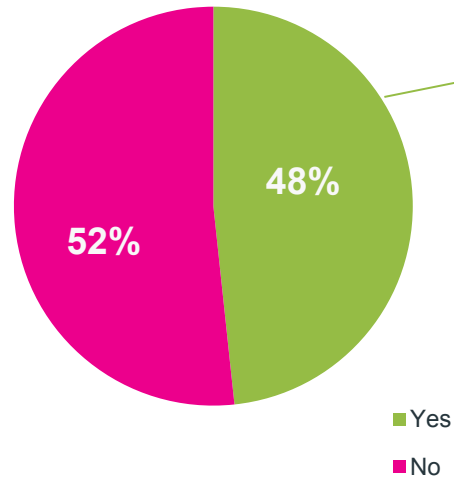
Q: Has your company recently added new capabilities to your adtech stack (engaged new technology partners)?



Company's structure

48% of egta members' sales houses made changes to their company's structure

Q: Have you recently (in the last 18 months) made any other changes to your company's structure?



If yes, please explain:



Response rate

Full list of egta members



The survey was conducted during the month of May 2019.

Total number of answers: n=104

- TV members: n=67
- Radio members: n=15
- TV & Radio members: n=22

74% of egta members are represented in the survey.

Number of companies represented:

- 79 European members
- 4 pan-European members
- 8 non-European members



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