

UK FINDINGS



FREEWHEEL MARKETERS' EUROPEAN SURVEY*

ADVANCED TV UNCOVERED

2021: Marketers tune in to the future of Advanced TV

FREEWHEEL
A COMCAST COMPANY

* in collaboration with CoLab Media Consulting, independent media research firm

Contents

3

Introduction

Advanced TV spend is expected to soar as marketers' optimism returns

4

Methodology

5

Takeaway 1

UK marketing budgets expected to bounce back

6

Takeaway 2

Advanced TV spend is expected to be on the rise

7

Takeaway 3

Advanced TV is likely to attract additional ad spend

8

Takeaway 4

Targeting and effectiveness seem to drive Advanced TV investments

10

Conclusion

INTRODUCTION

Advanced TV spend is expected to soar as marketers' optimism returns

The UK's Advanced TV landscape has significantly changed over the past few months, due to the accelerated adoption of internet-enabled video content by consumers. Recent research into audience trends suggests that **eight in 10** UK viewers have connected their TV sets to the internet. So how do marketers intend to respond?

FreeWheel collaborated with independent media research firm, CoLab Media Consulting, to better understand what this shift means for marketers, how it's influencing their spending priorities, and what the future holds for the Advanced TV ecosystem.





Methodology

102 marketers were surveyed, comprising primarily of **advertisers (40%), agencies (29%) and other marketing decision makers (31%)**.

The study was conducted by an independent media research firm, CoLab Media Consulting, between 23 July and 2 August 2021 in the UK.*

TAKEAWAY 1

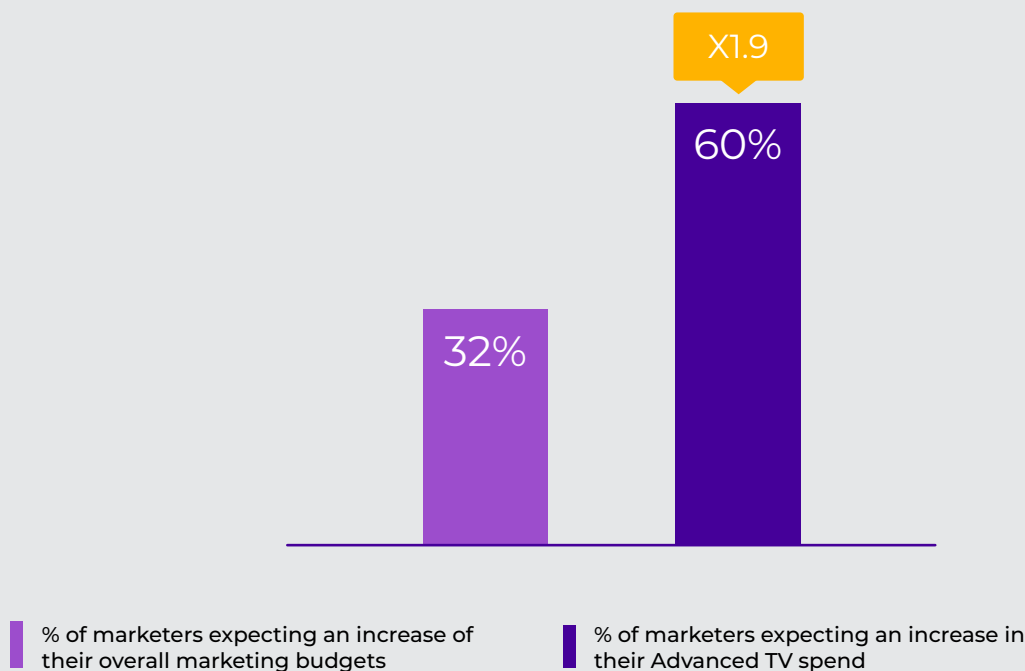
UK marketing budgets expected to bounce back

When asked about their spending plans for the coming 12 months, the majority of UK marketers surveyed intend to **increase or maintain their budgets**. More agencies anticipate a growth in marketing spend than advertisers, but overall marketers seem to be optimistic about their future efforts.

This is reflected by our current forecasts, which predict a **net increase in marketing budgets of +4%** for 2021 compared to -51% in 2020. While the uplift in spending intent suggests restored confidence among marketers generally, investments are also creating new opportunities specifically in the Advanced TV space.

How do you expect your overall and Advanced TV marketing budgets to change over the next 12 months?

Source: CoLab for Freewheel, European Advanced TV Uncovered, July-August, 2021



TAKEAWAY 2

Advanced TV spend is expected to be on the rise

While 32% of UK marketers surveyed anticipate an increase in their total marketing spend, **60%** of them intend to increase their investment in Advanced TV over the next year.

According to the FreeWheel and CoLab study, the areas of Advanced TV predicted to experience the strongest growth in budget allocation are **Connected TV (+9.2%)** and **TV Everywhere/OTT (+8.6%)**, which can be explained by the diversification of TV viewing habits. Advertisers seem more upbeat than agencies about Advanced TV spend, but altogether the prospects are positive.

What sort of increase or decrease do you think you will see in your ad spend in the following areas of Advanced TV in the next twelve months ?

Source: CoLab for Freewheel, European Advanced TV Uncovered, July-August, 2021

UK 2021 spend forecast
Next 12 months

UK Marketers
Forecast 2021

Advertisers
Forecast 2021

Agencies
Forecast 2021

	UK Marketers Forecast 2021	Advertisers Forecast 2021	Agencies Forecast 2021
Connected TV	+9.2%	+8.8%	+9.5%
TV Everywhere / OTT	+8.6%	+14%	+6.2%
Data-Driven Linear TV	+8.4%	+10.6%	+7.4%
VOD	+8.2%	+15.1%	+5.2%
Addressable TV	+6.9%	+8.6%	+1.4%

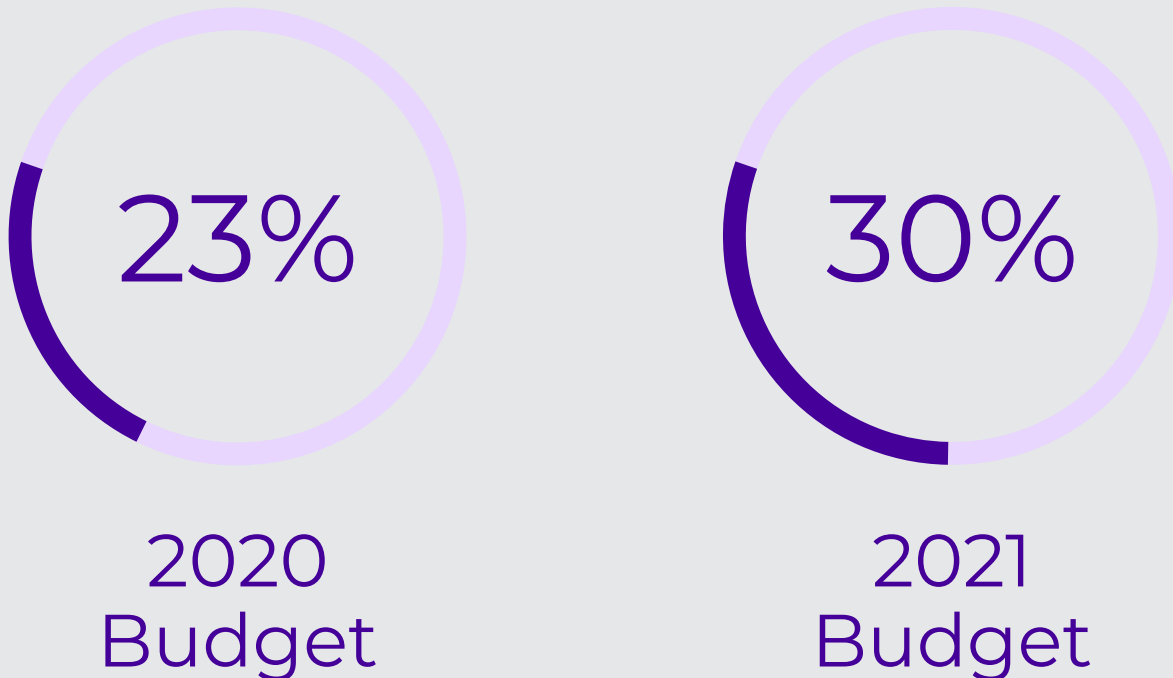
TAKEAWAY 3

Advanced TV is likely to attract additional ad spend

UK marketers surveyed are planning to invest a greater proportion of their overall TV budgets in Advanced TV, which is estimated to **grow from 23% to 30%** between 2020 and 2021. To gain a deeper understanding of this increase, we investigated the key drivers behind it.

% of TV budgets intended to be allocated to advanced TV

Source: CoLab for Freewheel, European Advanced TV Uncovered, July-August, 2021



TAKEAWAY 4

Targeting and effectiveness seem to drive Advanced TV investments

According to the CoLab study, the top three factors encouraging larger marketing investment in Advanced TV in the UK are its audience targeting techniques, its potential to enhance ad effectiveness, and its opportunities for cross-screen targeting.

Drivers of Advanced TV spend growth

Source: CoLab for Freewheel, European Advanced TV Uncovered, July-August, 2021

	Advertisers	Agencies
The Advanced audience targeting techniques it offers	66%	50%
Cross-screen targeting opportunities	56%	33%
Because it is proven to drive higher ad effectiveness	41%	50%
Better manage frequency of exposure to my traditional linear TV campaign	41%	37%
I can purchase it in one single transaction in addition to traditional linear TV	34%	27%
Better consumer identity data at the individual level vs. household level	27%	27%
Extend the reach of traditional linear TV campaigns	24%	53%
Greater opportunity to measure campaign ROI vs. traditional linear TV	12%	27%



Highlighted in our 2020 CoLab survey, Advanced TV's frequency management capabilities were the main factor behind budget allocation. In an age of advertising and data abundance, Advanced TV channels had an essential role to play in order to safeguard both users' experience and attention. Now, with the end of third-party cookies on the horizon, there is little surprise that the reasons given by respondents for spending more on Advanced TV advertising have shifted towards the more privacy-friendly targeting capabilities it offers.

Conclusion

The next 12 months could bear witness to significant evolution in the UK's Advanced TV landscape. Marketers are increasingly tapping into its opportunities, with its innovative capabilities attracting greater investment and furthering its potential in the advertising ecosystem. To explore Advanced TV's prospects across Europe, take a look at the other markets we surveyed:

France

Germany

Italy

Spain

*The same study was also conducted by CoLab Media Consulting for FreeWheel, in: Italy (121 marketers), France (127 marketers), Germany (100 marketers) and Spain (127 marketers).



Want to know more?

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