Relevance In The Face of Adversity
Trends + Recommendations

April 8th, 2020
Understanding the New Normal

• Over the last few weeks, both consumers and advertisers have had to reassess their new normal and adapt based on circumstances out of their control.

• The change in "regularly scheduled programming" highlights the power and potential of an audience-first mentality.

• With the increased eyeballs on our platforms and across the media ecosystem, we see opportunities for advertisers to reach their consumers regardless of the content.

• The shift in audience spend is careening toward outcome driven campaigns, and data + technology powered platforms.
Connecting Brands with Consumers in Uncertain Times

Follow Consumer Behavior
- People are focusing on the essentials
- Buying behavior is shifting to digital vs. in-store
- Viewers are staying home and consuming more media content than ever

Remain Engaged with Your Audience
- Evaluate your marketing investments, but do not pull back entirely as it can lead to long-term brand impact
- Focus on your brand and connecting with consumers
- Prioritize brand advertising over sales promotion efforts

Align Your Media Approach
- Follow the consumer
- Re-allocate OOH and sponsorships towards streaming, digital video, linear TV, social, and digital touchpoints
- Sustain awareness, educate consumers, and remind them of your brand values

Focus on Brand Voice
- Focus on the consumer first
- Be sincere and transparent
- Align your brand message with the current context of today’s environment
- Build trust: Go beyond the product and include messaging focused on the community, family, and CSR efforts
Viewership Insights
March 2020
Viewership Implications on DIRECTV

Viewership experienced a slight decline from the prior week, but is still up significantly YOY

**+17%**

DIRECTV’s overall rating was up **+17%** YOY in the week of 3/30

**+90%**

News Cluster dropped slightly in the week of 3/30, but is still up **+90%** YOY, the most significant increase of any DIRECTV cluster

While News continues to be the highest viewed genre, the last 3 weeks also sparked a sizable YOY increase in other fiction and reality genres

From 3/16 – 4/5, genres outside of news that had the highest ratings lifts are Suspense/Mystery (**+628%**), Quiz/Game Shows (**+41%**) and Instruction/Advice i.e. cooking & home improvement shows (**+25%**)
Viewership Implications on AT&T TV NOW

Total Time Spent is up +21% vs. the first week of March

+21%

Total CTV time spent is up 21% in the fifth week of March vs. the first week

+28%

AT&T TV NOW’s overall rating is up +28% in the week of 3/30 vs. 4 weeks prior

+59%

Total CTV time spent increased +59% in March vs. February 2020

+25%

News viewership is up +25% in the week of 3/30

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Source: Nielsen Media Research; Live+SD; Week of 3/30/20; Total Day; F25+. Ad Supported Cable Original. Nielsen Digital Content Rating; March 2020 Daily Data; US
Shifting Consumption Habits

March 2020
Changing Consumption Habits: Daypart Shifts
March 2020 by Week

March 2020 Average Audience By Week

Daypart Changes

• During the final week of March, DIRECTV Total Day has seen an increase in Average Audience of +19% from the first week in March

• Throughout March, with the exception on Early Morning which only grew +1%, all dayparts saw increases

• Daytime saw the largest growth between the week of 3/23 and 2/24, growing +38%

• Fringe also saw significant growth, growing +15% during the month

Source: Comscore TV Essentials; DIRECTV STB Data; March, 2020
Average Audience: The average number of TVs tuned into an entity (telecast, series, or network) throughout the selected time frame. Calculated by dividing the total hours viewed by the length of the time frame (in hours). Daypart averages have been calculated across the Days of the Week Daypart. Averaged Across DOW; Fringe & Prime Access Weighted.
Changing Consumption Habits: Cable Networks
March 2020 vs. March 2019

<table>
<thead>
<tr>
<th>Network</th>
<th>March 2020 Average Audience</th>
<th>March 2019 Rank</th>
<th>March 2020 Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOX News Channel</td>
<td>267,853</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>CNN</td>
<td>148,019</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>MSNBC</td>
<td>105,226</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>HGTV: Home &amp; Garden Television</td>
<td>81,291</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Nickelodeon/Nick-at-Nite</td>
<td>79,649</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>ESPN</td>
<td>78,852</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>TBS: Turner Broadcasting System</td>
<td>60,338</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>TNT: Turner Network Television</td>
<td>59,530</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Investigation Discovery</td>
<td>55,609</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Hallmark</td>
<td>54,767</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Food Network</td>
<td>51,842</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Disney Junior Channel</td>
<td>45,600</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>A&amp;E</td>
<td>41,848</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Disney Channel</td>
<td>40,202</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>History Channel</td>
<td>39,947</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
<td>TV Land/TV Land Classic</td>
<td>39,841</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>INSP</td>
<td>39,408</td>
<td>17</td>
<td>24</td>
</tr>
<tr>
<td>USA</td>
<td>38,878</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>TLC</td>
<td>35,388</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>Cartoon Network/Adult Swim</td>
<td>35,263</td>
<td>20</td>
<td>15</td>
</tr>
</tbody>
</table>

The Power of News
Unsurprisingly, News networks topped the cable rankings. Fox News ranked first, while CNN saw an increase in their rank YoY, moving from 5th to 2nd.

Reality Programming Serves as an Escape
- Game Show Network grew in rank from 32 to 22
- A&E grew in rank from 22 to 13
- HGTV, History, & Discovery mostly maintained their same ranks from 2019
- Despite the pause in certain live sports, ESPN ranked 6th

Also Noteworthy:
- MTV increased in rank from 42 to 35
- BET grew in rank, jumping from 52 to 28
- DIY changed in rank, moving from 67 to 48

Source: Comscore TV Essentials; DIERCTV STB Data; March, 2020 & March 2019
Average Audience: The average number of TVs tuned into an entity (telecast, series, or network) throughout the selected time frame. Calculated by dividing the total hours viewed by the length of the time frame (in hours). Daypart averages have been calculated across the Days of the Week.
Daypart: Averaged Across C3/3 + HGU & Time Access Weights
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**DIRECTV and AT&T TV VOD Viewership on the Rise**

Number of programs watched on DirecTV VOD was up **51%** from February to March

Number of programs watched on AT&T TV VOD **nearly doubled** from February to March

### DirecTV VOD Most Watched Genre

<table>
<thead>
<tr>
<th>Week of 3/22</th>
<th>% Growth Feb-March</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Children’s TV</td>
<td>75%</td>
</tr>
<tr>
<td>2. Scripted TV Series</td>
<td>46%</td>
</tr>
<tr>
<td>3. Reality</td>
<td>40%</td>
</tr>
<tr>
<td>4. Feature Film</td>
<td>117%</td>
</tr>
<tr>
<td>5. Sitcom</td>
<td>60%</td>
</tr>
<tr>
<td>6. Travel &amp; Cooking</td>
<td>41%</td>
</tr>
<tr>
<td>7. Home &amp; DIY</td>
<td>37%</td>
</tr>
<tr>
<td>8. Documentary</td>
<td>12%</td>
</tr>
<tr>
<td>9. Children’s Feature Film</td>
<td>92%</td>
</tr>
<tr>
<td>10. TV Movie</td>
<td>37%</td>
</tr>
</tbody>
</table>

### AT&T TV VOD Most Watched Genre

<table>
<thead>
<tr>
<th>Week of 3/22</th>
<th>% Growth Feb-March</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Scripted TV Series</td>
<td>128%</td>
</tr>
<tr>
<td>2. Reality</td>
<td>57%</td>
</tr>
<tr>
<td>3. Feature Film</td>
<td>63%</td>
</tr>
<tr>
<td>4. Children’s TV</td>
<td>52%</td>
</tr>
<tr>
<td>5. News</td>
<td>129%</td>
</tr>
<tr>
<td>6. Children’s Feature Film</td>
<td>101%</td>
</tr>
<tr>
<td>7. Home &amp; DIY</td>
<td>39%</td>
</tr>
<tr>
<td>8. Travel &amp; Cooking</td>
<td>57%</td>
</tr>
<tr>
<td>9. Documentary</td>
<td>33%</td>
</tr>
<tr>
<td>10. Sitcom</td>
<td>90%</td>
</tr>
</tbody>
</table>

N/A Genre excluded from reporting

**SOURCE:** AT&T Labs Analysis VOD Derived from DTV Satellite and AT&T TV Viewing Data

Based on the February four week average of number of VOD programs watched with viewing >3 mins compared to the week of 3/22-3/28.
Increased Global CTV Activity on the Xandr Platform

CTV ad requests more than double in the 4th week of March compared to the 1st week

<table>
<thead>
<tr>
<th>Region</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>2.1x</td>
</tr>
<tr>
<td>EMEA</td>
<td>2.4x</td>
</tr>
<tr>
<td>US</td>
<td>2.1x</td>
</tr>
<tr>
<td>LATAM</td>
<td>2.0x</td>
</tr>
</tbody>
</table>

Source: CIA Marketing Analytics, CTV global data through 3/01/20 as of 3/31/20.
EMEA

Upticks in CTV impressions, requests, spend and completes occur in the 4th week of March in EMEA and specific regions.

+116%

EMEA CTV ad requests in the 4th week in March grew by triple digits vs. the 2nd week.

EMEA top category CTV impression increases since February:
- Apparel
- Alcohol
- Health Care
- Pets
- Prints and Publications
- Home Décor
- Video Games
- Cosmetics
- Consumer Loans
- Online Games

Percent of March EMEA CTV Ad Requests By Week

- Week 1: 24%
- Week 2: 19%
- Week 3: 17%
- Week 4: 41%

S. Europe
- CTV ad requests increase 4.8x in the 4th week in March vs. 1st week
- 93% CTV completion rate in March 2020

C. Europe
- +84% CTV ad requests in the 4th week in March vs. 2nd week
- 72% CTV completion rate in March 2020

Increased CTV activity more than doubles in the 2\textsuperscript{nd} week in March

Top categories CTV impression increases since February:

- Online Games
- Video Games
- Computers & Electronics
- Sporting Goods
- Toys/Games
- Family & Parenting
- Fitness & Health
- Financial
- Cosmetics
- Pets
- Print & Publications
- Jewelry
- Education
- Religion
- Music

CTV ad requests in the 2\textsuperscript{nd} week in March grew by triple digits vs. the 1\textsuperscript{st} week

CTV completion rate in March 2020

+136%

83%
CTV activity on the platform doubles in the 4th week in March vs. the 1st week

Top categories CTV impression increases since February:

- Movies
- Real Estate
- Insurance
- Alcohol
- Computers & Electronics
- Jewelry
- Automotive & Vehicles
- Politics
- Sporting Goods
- Retail
- Cosmetics
- Online Games
- Home and Décor

Percent of March CTV Ad Requests By Week

- Week 1: 39%
- Week 2: 20%
- Week 3: 22%
- Week 4: 20%

CTV ad requests in the 4th week in March vs. the 1st week

+96%

CTV completion rate in March 2020

76%

Source: CIA Marketing Analytics, CTV global data through 3/01/20 as of 3/31/20.