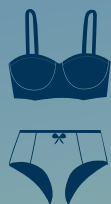




A Special Report from THE MEDIACENTER

SUMMER TV



SUN-SOAKED OPPORTUNITIES

Whether you're a retailer, business owner, consumer or a TV advertising account executive, summer is always that special season when the living is easy. There is an abundance of opportunities to boost retail revenues, discover special bargains and show more prospective advertisers and current clients why summer TV is where their message should be.

Although political punditry and analysis is not "our thing" at THE MEDIACENTER, the machinations of the new Trump administration could certainly have implications for brands, retailers and consumers. The proposed "border tax" on imports has the potential to increase consumer prices on clothing, shoes and electronics, for example, as almost all these items are imported.

The Trump administration has suggested that the border tax would be offset by other changes to the overall tax system. Since major changes to the US tax code always require more time than anticipated (or desired), it is unlikely that an import border tax or other significant tax changes, positive or negative, will be in place by summer 2017.

An excellent opportunity to keep yourself and your clients informed is to check the news stories section of THE MEDIACENTER Website regularly. Every week, we research and upload the most important news in marketing, advertising, media, retailing, the economy, digital media and technology.

The emphasis in this Special Report, however, is on Summer TV 2017, and the summer-selling season in general. Despite no Olympics or presidential race, this summer will still offer many opportunities for savvy retailers and local businesses as well as TV advertising account executives to find their place in the sun.

SUMMER TV

www.mediacenteronline.com



SUMMER SUPREMACY

Nielsen's Q3 2016 Total Audience Report again makes it clear that TV's supremacy, including the months of July, August and September, continues to be absolute.

Average Time Spent Per Adult 18+ Per Day, Q3 2016 vs. Q3 2015

Medium/Device	Q3 2016	Q3 2015	Change
Live TV	4:06	4:07	-0:01
AM/FM Radio	1:52	1:50	+0:02
App/Web on a smartphone	2:10	1:14	+0:56
Internet on a PC	0:57	0:51	+0:06
DVR/Time-shifted TV	0:29	0:28	+0:01
App/Web on a tablet	0:27	0:32	-0:05
Game console	0:13	0:13	0:00
DVD/Blu-Ray device	0:07	0:08	-0:01
Multimedia device	0:16	0:10	+0:06

Nielsen, The Total Audience Report Q3 2016

As expected, time spent on an app or the Web on a smartphone had the largest increase; but as we have so often emphasized, much of that time is not exclusively spent on a smartphone, but while watching TV and interacting with shows, brands, retailers and friends and family members.

TV's 4 hours and 6 minutes and smartphone's 2 hours and 10 minutes reinforce the complementary nature of these two media. Although time spent on AM/FM radio is still significant, the impact of time spent on the other media and/or devices are either insignificant for TV or requires the use of the TV. It's clear that adults 18+ would spend very little time with any media and on any device if a TV and television wasn't the prime medium and device in their lives.

For its weekly-time-spent comparison by age, Nielsen presents the data slightly differently, combining Live TV and DVR/time-shifted TV, and adding video on a PC and video on a smartphone. The following table shows the largest and smallest adult age groups spending time with these 10 categories.

Weekly Time Spent Adults 18+ by Largest and Smallest Age Group, Q3 2016

Medium/Device	Smallest		Largest	
	Age	Time	Age	Time
Live TV+DVR/Time-shifted TV	18–24	14:21	65+	48:32
DVR/Time-shifted TV	18–24	1:25	50–64	4:06
AM/FM Radio	18–24	10:20	50–64	15:18
DVD/Blu-Ray device	65+	0:36	35–49	0:52
Game console	65+	0:07	18–24	3:51
Multimedia device	65+	0:53	25–34	3:04
Internet on a PC	18–24	3:58	35–49	8:48
Video on a PC	65+	0:37	25–34	2:42
App/Web on a smartphone	65+	3:43	18–24	19:17
Video on a smartphone	50–64	0:29	18–24	1:11

Nielsen, The Total Audience Report Q3 2016



SUMMER TV

www.mediacenteronline.com



WHERE TO MEET MOTHERS

The Nielsen Q3 2016 Total Audience Report is particularly enlightening, as it provides detailed data and analysis about quite possibly the most important consumer group – mothers, both stay-at-home and working.

Nielsen reports that there 25.1 million women 18–49 in their own homes, and who have at least one child younger than the age of 12. Almost half, or 46%, are women, 35–49. As the following chart reveals, the percentage of working mothers increases and the percentage of stay-at-home mothers decreases, with age.

Makeup of Mothers, 18–49, Q3 2016

Female Age Groups	Stay-at-Home Moms	Working Moms
Women, 18–24	34%	66%
Women, 25–29	30%	70%
Women, 30–34	26%	74%
Women, 35–39	24%	76%
Women, 40–44	22%	78%
Women, 45–49	23%	77%

Nielsen, *The Total Audience Report* Q3 2016

It's also interesting to note, based on data from The Media Audit, that stay-at-home moms and working mothers are not in the lowest annual household income brackets, as is often assumed.

In the Los Angeles GMA, for example, the largest percentage (28.3%) of working mothers with children between the ages of 6–12, has an annual household income of \$100,000–\$149,999. The largest percentage (25.8%) of women who are not employed and consider themselves homemakers with children between the ages of 6–12 has an annual household income of \$35,000–\$49,999.



Nielsen then provides interesting data for mothers, 18–49, and stay-at-home and working mothers of their average weekly come and weekly time spent for each of 8 media/devices.

Average Week Media Data, September 2016

Medium/Device	Reach/Cume/Uniques			Weekly Time Spent		
	Moms, 18–49	Stay-at-Home Moms	Working Moms	Moms, 18–49	Stay-at-Home Moms	Working Moms
TV	22.6 M	5.8 M	16.8 M	27:50	32:40	26:10
Radio	26.9 M	9.1 M	17.8 M	13:09	12:07	13:45
DVD/Blu-Ray device	5.7 M	1.6 M	4.1 M	5:00	5:34	4:47
Game console	5.9 M	1.6 M	4.3 M	7:39	9:23	6:59
Multimedia device	7.8 M	2.1 M	5.7 M	8:43	9:54	8:16
PC	13.5 M	4.8 M	8.7 M	6:00	8:08	4:50
Smartphone (App + Web)	25.3 M	10.4 M	14.9 M	21:32	22:43	20:41
Tablet (App + Web)	17.2 M	6.8 M	10.4 M	7:27	7:37	7:21

Nielsen, *The Total Audience Report* Q3 2016



SUMMER TV

www.mediacenteronline.com



GOOD OLD

SUMMERTIME SPORTS

The highlight of sports on Summer TV 2016 was the Olympics; however, the games' average of 27.5 million viewers across all platforms, including digital streaming, was 9% less than 2012. Worse yet, the Opening Ceremony had 28% fewer viewers than the Opening Ceremony at the 2012 London Games.

For Summer 2017, sports fans and advertisers will have to turn to the stalwart of the summer months – baseball – and the possibility that tennis and golf will provide some shining moments.

Although the NFL may be the most popular professional sport in the US, both in terms of average attendance and TV ratings, MLB, with its 162-game season, has the largest total attendance. Even with the Olympics during summer 2016, MLB recorded a 5% increase in TV viewership, compared to 2015.

According to Nielsen data, 9 MLB teams had the #1 ranking across all TV networks during prime time, and 16 teams ranked in the top 3 across all TV networks. According to analysis from FanGraphs, most teams averaged 50,000 to 100,000 households per game, which are not large compared to primetime TV, but those numbers do represent significant totals in most local markets.

It's also interesting to note that the top 5 teams by their 2016 TV ratings were not in top-10 TV markets.

Top 5 MLB Teams, by TV Ratings, 2016

Market	Team	Rating
Kansas City	Royals	11.70
St. Louis	Cardinals	8.54
Detroit	Tiger	7.56
Baltimore	Orioles	7.28
Pittsburgh	Pirates	7.22

Forbes (Nielsen Arianna Live+SD Data Stream), September 2016

Can Tennis and Golf Fill the Void?

ESPN and other networks that broadcast tennis can only hope that this summer's Wimbledon and US Open can duplicate the 2017 Australian Open's exciting finals, with the Williams sisters, Serena and Venus, and Roger Federer and Rafael Nadal. Viewership for the women's championship increased 36%, and for the men's championship 106%, despite very early-morning live broadcasts.

Despite lackluster ratings for PGA golf broadcasts, the 2016 season ended on a high note with the final round coverage of The Tour Championship recording a 19% increase in ratings, a 1.9, and a 24% increase in viewership, 3.0 million.

Without major sporting events scheduled for summer 2017, local advertisers will have more opportunities to reach affluent consumers with affordable buys in tennis and golf.

SUMMER TV

www.mediacenteronline.com



RETAIL'S RUN IN THE SUN

Retail sales increased very slowly during the first half of 2016; however, 2017 has started much better, with January retail sales increasing 0.4%, which was more than expected, and 5.6% better than January 2016.

Retail sales were also sluggish during summer 2016, which many analysts attributed to the increasing focus and anxiety of the presidential campaigns. For Summer 2017, consumers will be able to focus on enjoying the warm weather, many outdoor activities and doing what they do best – shopping.

US Retail Sales*, May–September, 2015 and 2016

Month	2015	2016	% Change
May	\$353.4 B	\$362.4 B	+2.5%
June	\$354.0 B	\$365.3 B	+3.2%
July	\$356.4 B	\$363.9 B	+2.1%
August	\$356.3 B	\$363.7 B	+2.1%
September	\$355.3 B	\$366.5 B	+3.2%

US Census Bureau, February 2017 *excluding motor vehicle and parts

The National Retail Federation is forecasting a 3.7% to 4.2% increase in 2017 retail sales, compared to 2016's 3.8% increase. Online sales for both stores and non-store retailers are predicted to increase 8% to 12%.

One analyst views the bull run in the stock market and new indications of wage growth as boosts to luxury goods purchases. Continued job growth and relatively low gasoline prices and declining food prices will allow lower-income shoppers to have more disposable income.

2017 Retail Trends

Although there are many positive signs in the economy, retailers and advertisers must be able and willing to adjust to new retail trends.

- Consumers want experiences and not just the acquisition of more possessions. Brands and retailers must create experiential shopping moments for consumers that are as attractive as travel, adventure, family entertainment venues, etc.
- To attract consumers to experiential shopping moments, brands and retailers must communicate on a personal level and develop an emotional connection with consumers.
- “Made in America” and locally sourced products will gain additional traction with consumers during 2017.
- Although promotional pricing, discounts and coupons have been major drivers of retail sales, many major brands and retailers are planning to reduce their use during 2017.
- Stalwart retailers, such as Macy's, Sears, JC Penney and 7 others, will account for the closing of almost 1,000 stores during 2017. There may be a silver lining for local retailers, as experienced sales associates will be looking for employment and the void created may result in opportunities to attract shoppers.

SUMMER TV

www.mediacenteronline.com



CONSUMER MOMENTUM

To maximize Summer 2017 TV advertising buys for you and revenues and profits for your clients requires confident consumers. With continued job growth and wage increases and moderate inflation, Americans have more reasons with each passing day to be confident in the future.

Although the January 2017 US Conference Board's Consumer Confidence Index® declined to 111.8 from December's 113.3 (the highest since August 2001), many analysts attributed this to uncertainty about where the Trump administration would lead the country.

Other components of the Consumer Confidence Survey® registered increases:

- Present Situation Index: 129.7 from 123.5
- "Good" business conditions: 29.3% from 28.6%
- "Plentiful" jobs: 27.4% from 26.0%

Others decreased:

- Expectations Index: 99.8 from 106.4
- More future jobs: 19.8% from 21.7%
- Expected income increase: 18.0% from 21.5%

Follow the Financial Optimists

Financial optimist, or those who expect to be "better off 6 months from now," is a key metric in The Media Audit's database for US GMAs. An interesting comparison is the Pittsburgh, PA GMA, where the December 2016 unemployment rate was 5.2%, and the Denver, CO GMA, where the December 2016 unemployment rate was exactly half, or 2.6% (the US unemployment rate for December was 4.7%).

The difference in the unemployment rate very likely accounts for 26.2% of adults 18+ describing themselves as a financial optimist for The Media Audit's Winter 2017 Pittsburgh survey. In Denver's Winter 2017 survey, 34.6% of adults 18+ considered themselves a financial optimist.

The larger percentage of financial optimists in Denver is reinforced with the data in the following CrossTab report from The Media Audit. Clearly, the financial optimism among Denver adults translates to significantly higher indices for each of the planned consumer purchases.

Comparison of Pittsburgh and Denver Financial Optimists* Major Future Consumer Purchases

Planned Consumer Purchase	Pittsburgh		Denver	
	Percent	Target Index	Percent	Target Index
New car/van/truck/SUV	10.6%	110	9.9%	118
Remodel home next 12 months	17.6%	104	15.5%	117
Major household appliance next 12 months	17.1%	96	18.1%	131
New TV next 12 months	22.9%	117	25.4%	154
A home next 2 years	12.4%	157	22.1%	176
New furniture next 12 months	25.6%	147	26.3%	155

*The Media Audit, Pittsburgh, PA and Denver, CO Winter 2017 surveys
adults 18+

SUMMER TV

www.mediacenteronline.com



REACHING THE SUMMERTIME ACTIVES

Summertime is when more people are attracted to the outdoors, travel and family activities, but that doesn't mean that can't be reached effectively with Summer TV.

Advertisers can use early morning news to target consumers before the start of the workday or their outing or travel plans with promotions that make their summer activities more enjoyable.

- Stores can offer free bottles of water (from a limited supply) to anyone who includes the store on their morning or evening jogging route, with a special coupon attached.
- Promote a free or heavily discounted Summer Fun Safety Package with a qualifying purchase. The package could include a wide-brim hat, sunscreen and sunglasses.
- Co-promote with a local zoo or aquarium during June, which is National Zoo and Aquarium Month. Offer a free or heavily discounted pass for families with children for a midweek family day or a special evening opening beyond normal hours, so people can enjoy the zoo or aquarium when it is cooler.
- June 2 is National Donut Day, which creates many promotional opportunities for local bakeries, coffee shops, grocery stores and restaurants to offer a free donut with a qualifying coffee, breakfast or other purchase.
- Sporting goods and camping stores can promote specials based on National Park and Recreation Month during July. They can feature photos and videos of local parks and recreational sites to help promote close-to-home vacations.
- July is also Women's Motorcycle Month. A motorcycle dealer could sponsor a special "Bring-A-Friend" weekend ride to generate more interest in motorcycling for women. Co-promote the event with a local food truck, which can park at an appropriate place on the ride route to provide lunch/refreshments at a special price.
- National Bargain Hunters Week, August 7–13, is a great opportunity for any retailer to feature special "bargain" items. They could create a "Bargain Treasure Hunt" on social media, with a series of video clues that people must solve to earn discount points to redeem for purchases of featured bargain items.

SUMMER TV

www.mediacenteronline.com



TIME TO SHINE

Summertime may be when “the living is easy,” but it’s also filled with many opportunities for you to show your clients that you’re a problem-solver and expert media and advertising consultant.

- Meet with your clients to review which sales promotions and advertising media and messages worked and didn’t work during the first half of the year. Suggest that they use their social media pages and/or an email campaign to survey their customers to obtain feedback about which sales promotions and advertising messages did or did not attract them. The survey should also include questions about what merchandise and/or services they liked or didn’t like and what merchandise and/or services are more likely to compel them to visit the store.
- Help them use what they learn from the survey to start their Q4 holiday planning early, especially so they can attract a larger percentage of the early-holiday shoppers of late September and October. They then won’t be so dependent on revenues during the brief period from Thanksgiving through Christmas.
- Look for opportunities for local retailers related to the closing of major retailers – Macy’s, Sears, The Limited, etc. – in the area. What products attracted local consumers to those stores that small, local retailers can add to their inventory to grab those major retailers’ local market share?

- Help your clients to prioritize the improvement of their digital media presence. Delaying the development of a mobile marketing strategy, creating and posting videos and using location-targeted marketing tactics will only cause them to become less competitive. They are unlikely to be able to use all these digital tools, but you can guide them through the often confusing choices to find the one or two that is likely to work for them.
- Suggest a complementary summer TV and digital advertising campaign to test the value of these new digital marketing tools, and then develop a plan to use one or more of them more aggressively during the holiday shopping season.



Sources: Time/Money Website, 2/17; Nielsen Website, 2/17; The Media Audit Website, 2/17; FanGraphs Website, 2/17; Forbes Website, 2/17; Sports Media Watch Website, 2/17; Reuters Website, 2/17; National Retail Federation Website, 2/17; US Census Bureau Website, 2/17; The NPD Group, 2/17; CNBC Website, 2/17; Clark Media Website, 2/17; The Conference Board Website, 2/17; THE MEDIACENTER, 2/17.

Updated: February 2017

© 2017 THE MEDIACENTER. All rights reserved.