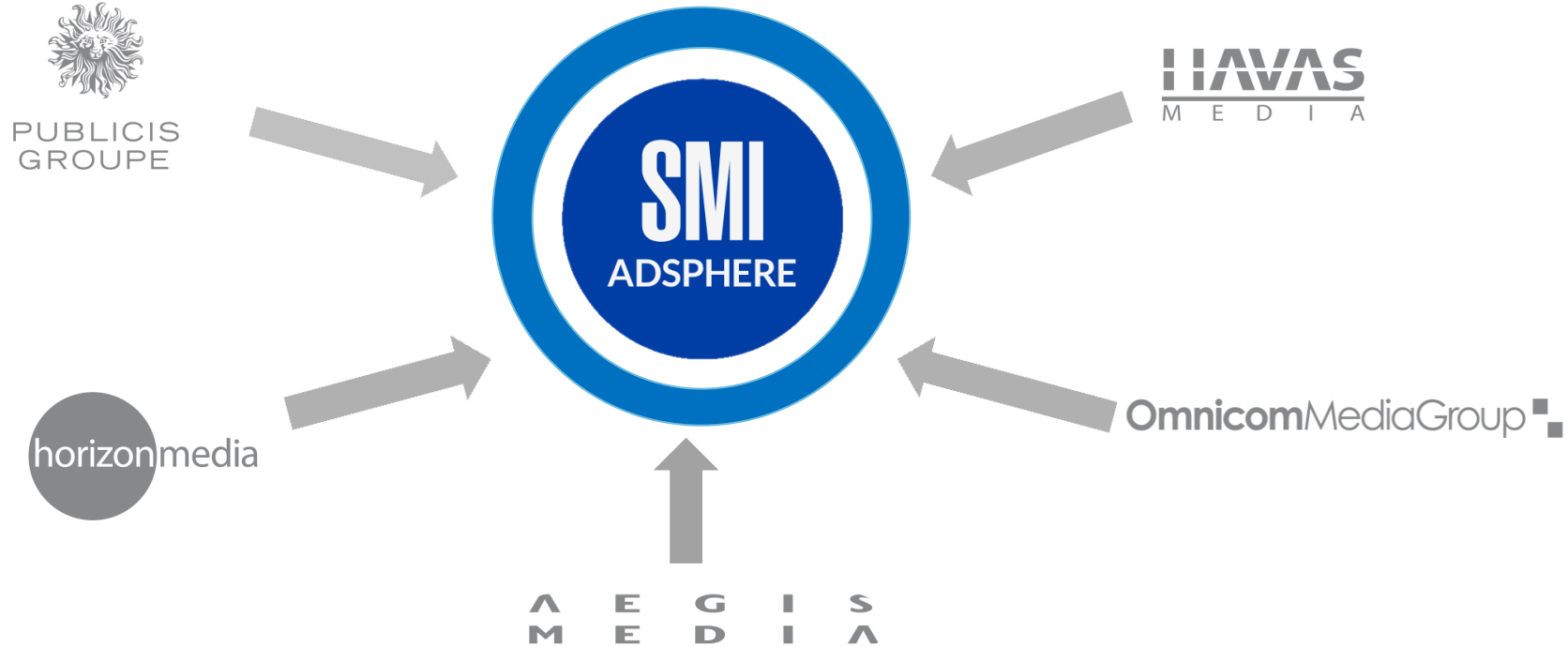


ARF Audience Measurement 2016

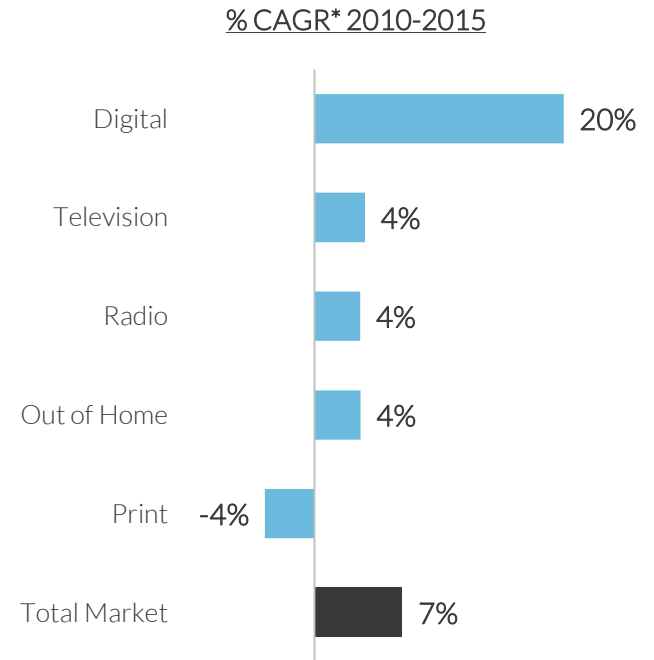
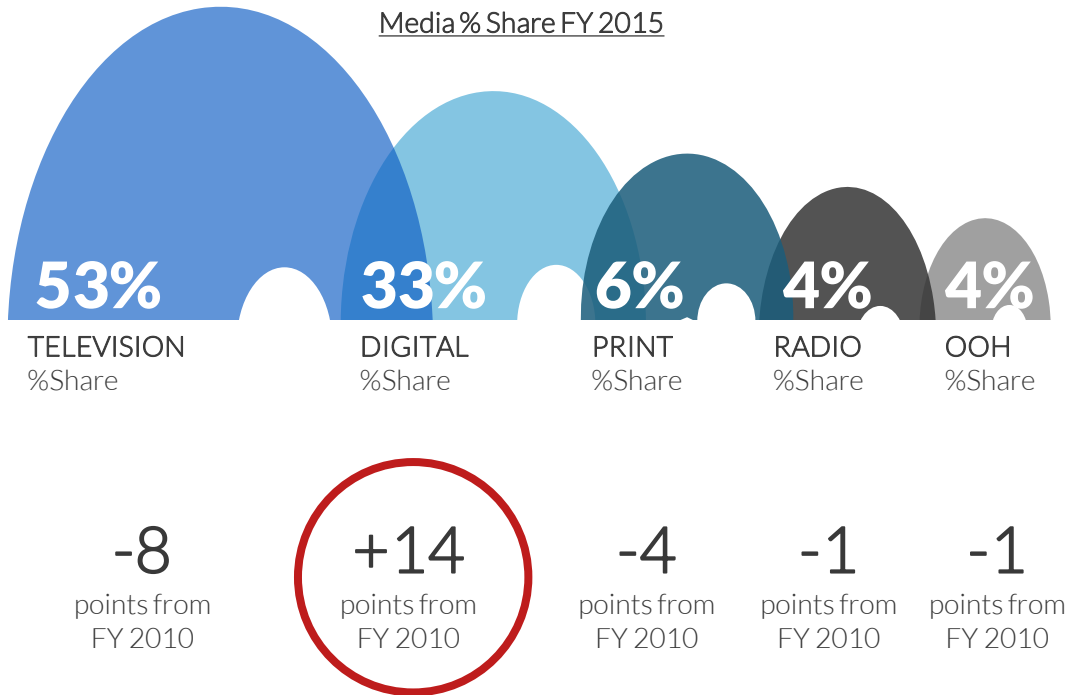
Tracking Actual Media Shifts & Their ROI Effects

Uniquely Sourced: 70% of Agency Spend



Overall Media Market Trend

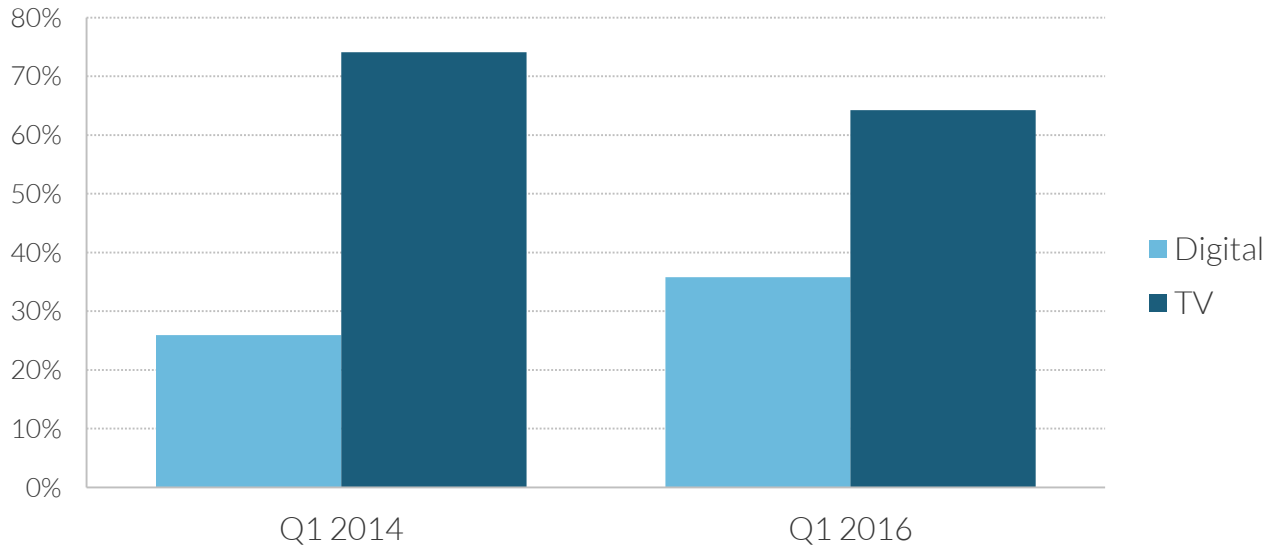
Overall Market Overview 5-Year Growth



Burning Question: What's
Really Going on with
TV vs. Digital?

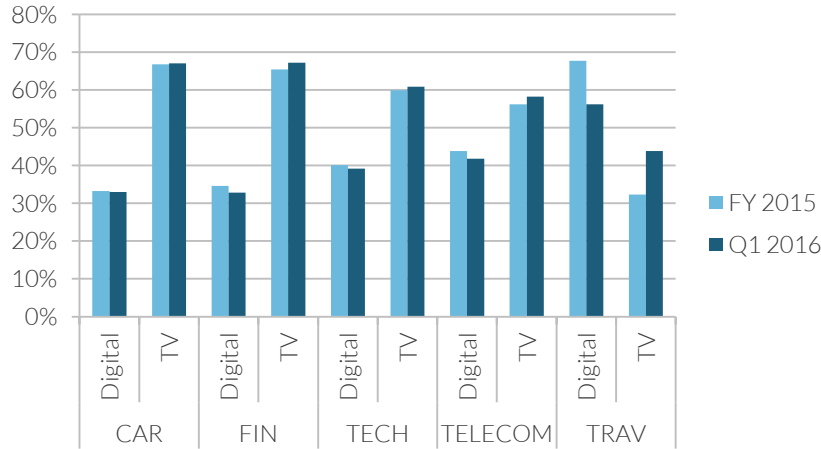
Digital Has Made Deeper Inroads Than Expected

Digital is **36%** of Top 100 Advertisers Screen Ad Spend (Q1 2016)

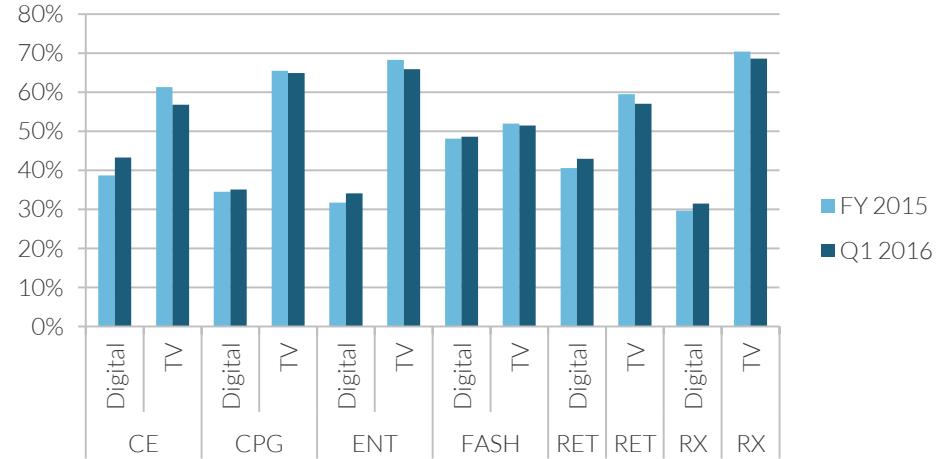


TV Springback vs. Attrition Categories

TV Springback:

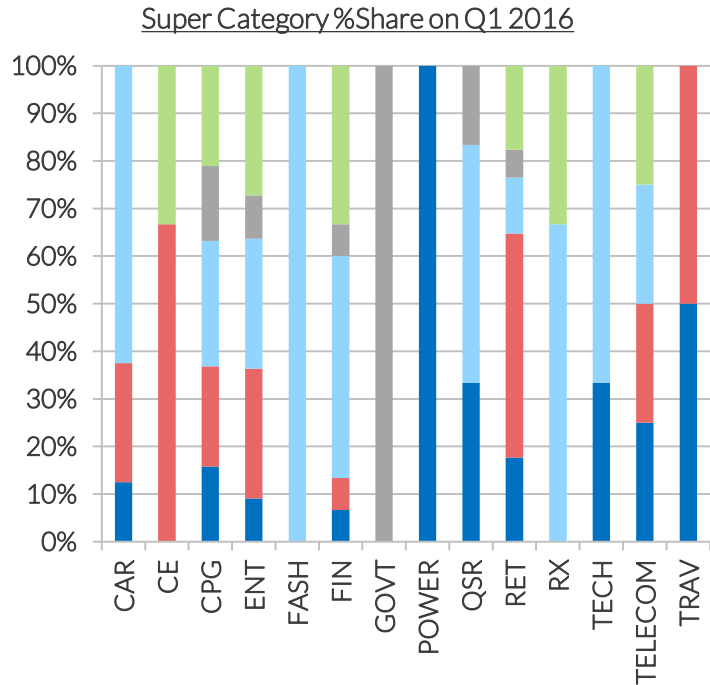


Attrition Categories:



- QSR remains steady at 79% TV
- 50% of categories are edging back to, or maintaining, TV level

15 of 39 advertisers lowering TV are increasing it again (Pattern A)



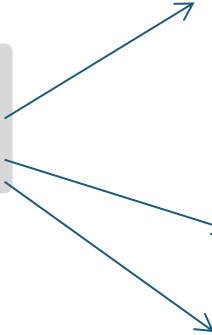
- Decreasing TV + Digital
- Digital down, TV Up
- Increasing TV + Digital
- Continuing to lower TV
- Had lowered TV, now adding back

CPG Advertisers That Switched Back to TV

Advertiser	Quarters TV Raised YOY	Q1 2016 Sales vs. Q1 2014	Immediate Incremental Sales Return on Incremental TV
CPG A	Q4 2015	+3.0%	\$4.71
CPG B	All except Q2 2015 & Q1 2016	+4.0%	\$5.67
CPG 3	Last 2 Qtrs	+7.3%	\$3.67
Average		+4.8%	\$4.68

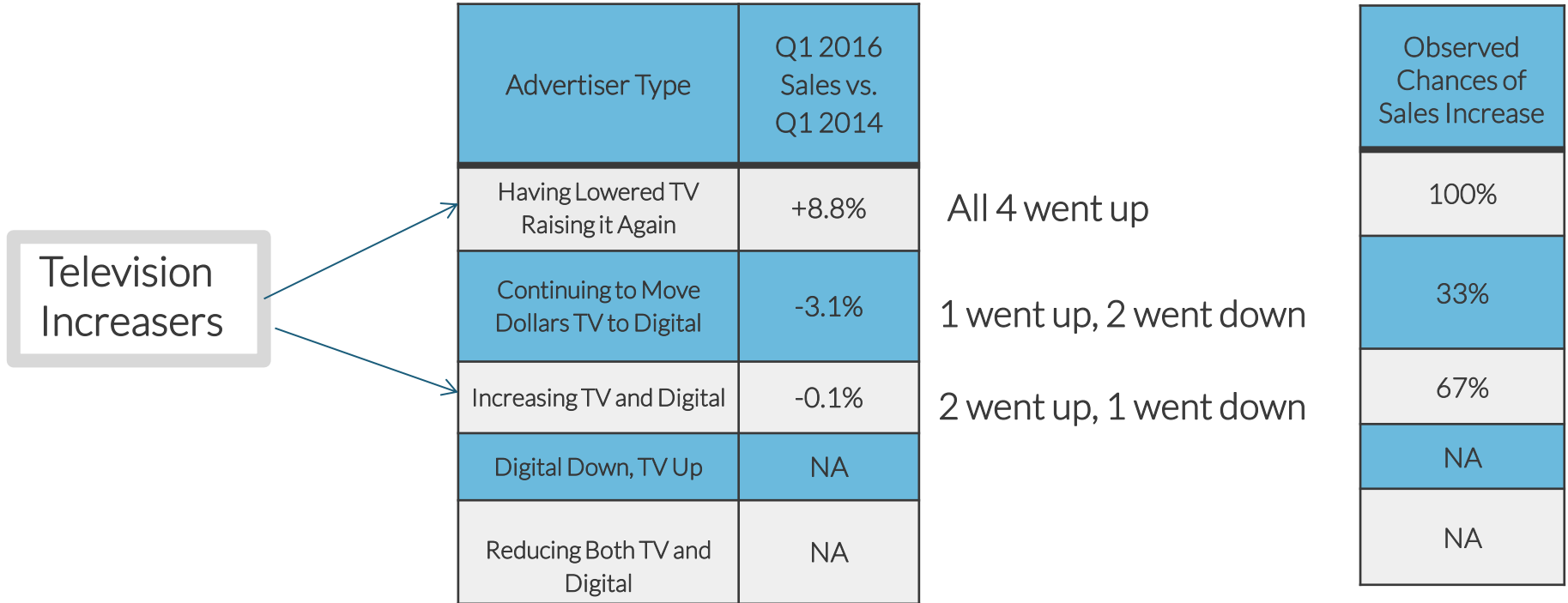
CPG Advertisers by Dynamic Spend Pattern

Television
Increases



Advertiser Type	Q1 2016 Sales vs. Q1 2014		Observed Chances of Sales Increase
Having Lowered TV Raising it Again	+4.8%	All 3 went up	100%
Continuing to Move TV Dollars to Digital	+4.7%	2 went up, 2 went down	50%
Increasing TV and Digital	+4.0%	3 went up, 2 went down	60%
Digital Down, TV up	+7.9%	All 3 went up	100%
Reducing Both TV and Digital	+1.1%	2 went up, 2 went down	50%

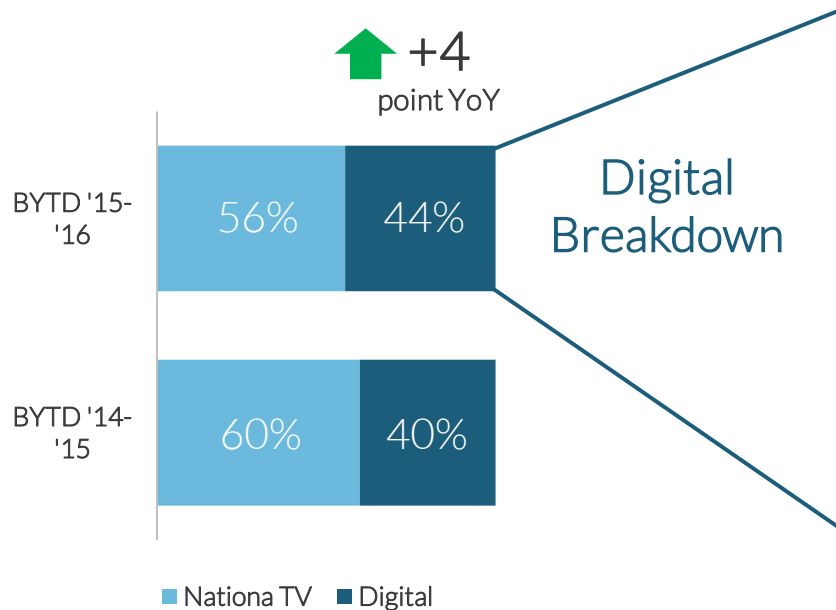
Non-CPG Advertisers by Dynamic Spend Pattern



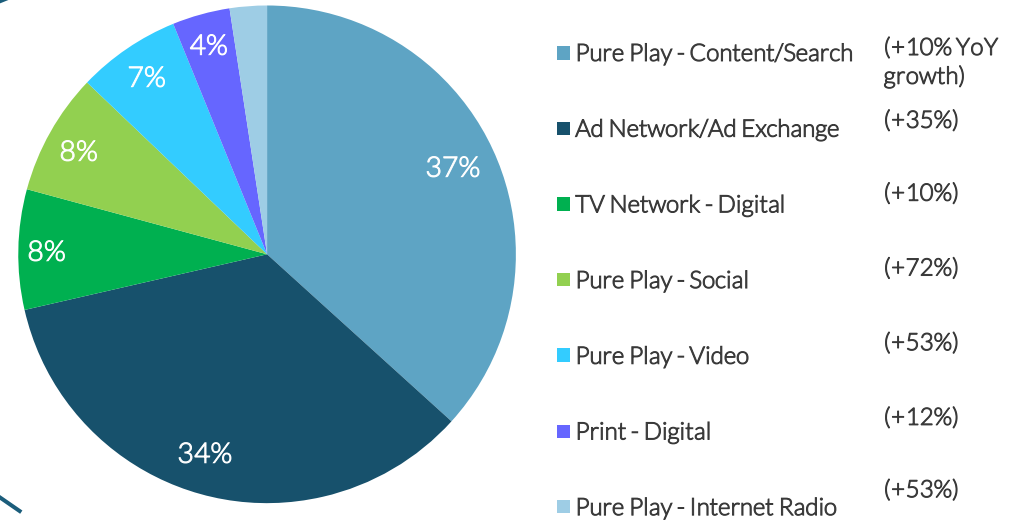
Digital Impact on National TV

BYTD '15-'16 Performance (Oct-April)

National TV and Digital %Share

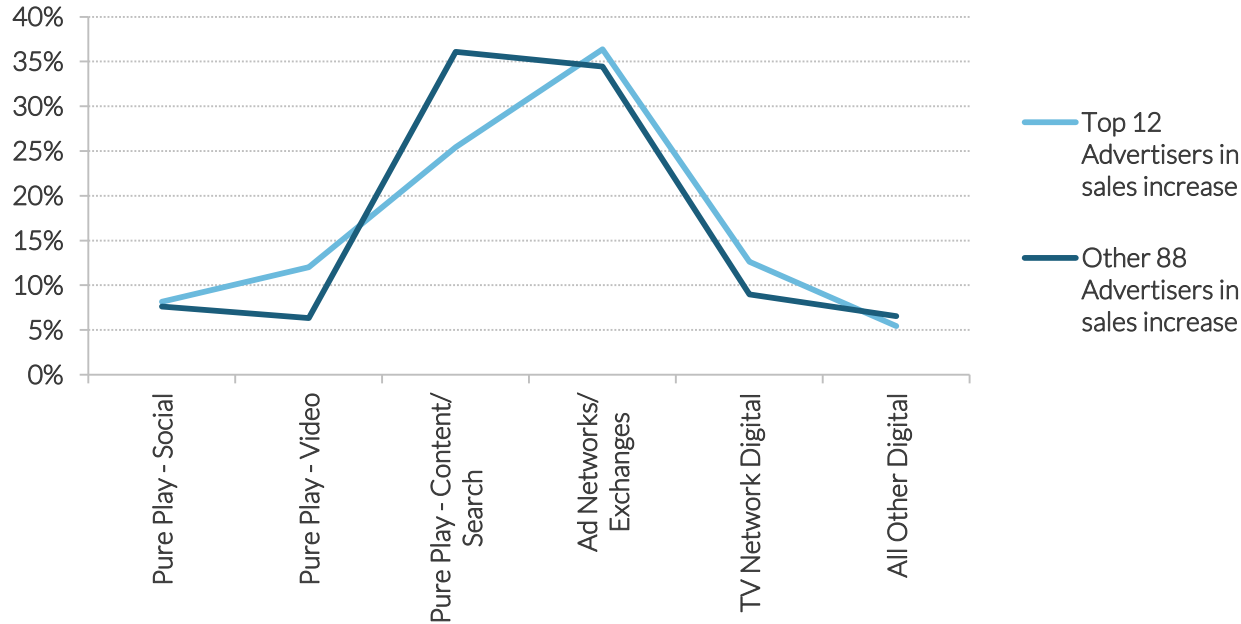


SMI Digital Site Types % Share



Top 12 Performers Used More Video, Less Search

Top 100 Advertisers Digital Subtypes - %Share FY2015



Q1 2014- Q1 2016:

- Sales Avg. growth: **+14.6%**
- TV Ad Spend Avg. Growth: **+25.8%**

SMI Full Market: National TV

What's New?

SMI		SMI AccuTV
70%	Market Coverage	100%
35 Product Categories	Vertical Depth	108 Product Sub Categories
Daypart	Program Level	Daypart + Day (Mon-Sun)
N/A	Spot Length	15s, 30s, 45s, 60s, 75s, 90s, 120s, 120+s
N/A	Brand Level Estimates	All advertisers outside SMI Pool
N/A	Agency Groups	SMI Pool vs GroupM vs Independents



Real Average Cost Per Spot

Broadcast Year 2015 – Average Cost by 30 Second Spot

WeekDay	Day Part	Discovery		HGTV	
		Equivalent 30s SpotCount	Average Cost	Equivalent 30s SpotCount	Average Cost
Mon	Daytime	2,202	\$ 783	2,279	\$ 1,653
	Prime Time	861	\$ 9,678	1,463	\$ 12,266
	Total	3,063	\$ 3,283	3,742	\$ 5,803
Tue	Daytime	1,349	\$ 753	1,696	\$ 1,696
	Prime Time	829	\$ 8,244	837	\$ 11,626
	Total	2,177	\$ 3,604	2,533	\$ 4,976
Wed	Daytime	1,356	\$ 720	1,767	\$ 1,729
	Prime Time	824	\$ 10,683	939	\$ 12,038
	Total	2,180	\$ 4,486	2,705	\$ 5,306
Thu	Daytime	1,319	\$ 704	1,723	\$ 1,696
	Prime Time	871	\$ 7,239	849	\$ 11,643
	Total	2,190	\$ 3,302	2,572	\$ 4,980
Fri	Daytime	1,330	\$ 722	1,729	\$ 1,667
	Prime Time	870	\$ 11,386	813	\$ 11,942
	Total	2,200	\$ 4,939	2,542	\$ 4,954
Sat	Daytime	1,533	\$ 3,088	1,975	\$ 6,240
	Prime Time	822	\$ 6,664	810	\$ 11,700
	Total	2,355	\$ 4,336	2,785	\$ 7,828
Sun	Daytime	1,577	\$ 3,119	1,653	\$ 5,771
	Prime Time	1,119	\$ 8,809	1,101	\$ 9,884
	Total	2,696	\$ 5,480	2,754	\$ 7,416
Grand Total		18,980	\$ 3,460	16,859	\$ 4,197

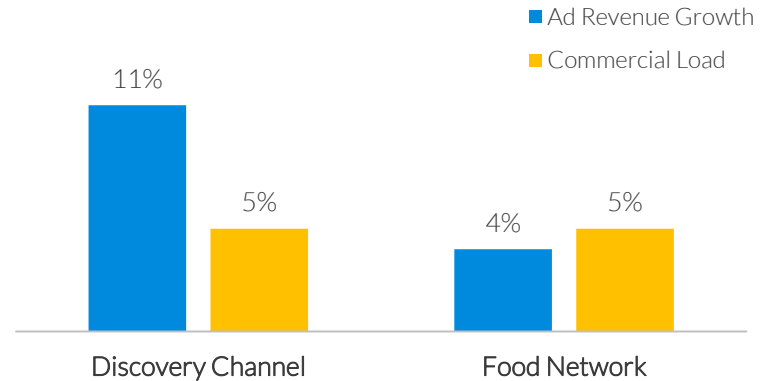
Ad Revenue vs. Commercial Load

Broadcast Calendar - October 2015 - PrimeTime


Network	Discovery Channel	Food Network
Ad Revenue 	\$15.8 M	\$25.2 M
Commercial Load 	10.7 Min/Hour	12.9 Min/Hour




YoY Growth Revenue vs. Commercial Load



ADU Allocation by Network in 2015

CBS (2015)				
	ADU + Bonus	Paid	Total	ADU + Bonus %
By Calendar Quarter				
Q1	3381	17160	20541	16.5%
Q2	1985	15675	17660	11.2%
Q3	2360	16010	18370	12.8%
Q4	2596	17655	20251	15.3%
By Daypart				
Daytime	2710	25132	27842	9.7%
Early Fringe	753	1441	2194	34.3%
Early Morning	1704	10271	11975	14.2%
Early News	687	2953	3640	18.9%
Late Fringe	1412	7347	8759	16.1%
Late News	46	183	229	20.1%
Overnight	209	2943	3152	6.6%
Prime Access	88	277	365	24.1%
Prime Time	2713	15953	18666	14.5%
Total 2015	10322	66500	76822	13.4%

Food Network (2015)				
	ADU + Bonus	Paid	Total	ADU + Bonus %
By Calendar Quarter				
Q1	10105	22788	32893	30.7%
Q2	9695	24894	34589	28.0%
Q3	10233	28140	38373	26.7%
Q4	11072	25356	36428	15.3%
By Daypart				
Daytime	3644	35034	38678	9.4%
Early Fringe	1434	13935	15369	9.3%
Early Morning	2119	4832	6951	30.5%
Early News	1281	12358	13639	9.4%
Late Fringe	15664	3954	19618	79.8%
Late News	581	2504	3085	18.8%
Overnight	13405	1364	14769	90.8%
Prime Access	369	4711	5080	7.3%
Prime Time	2608	22486	25094	10.4%
Total 2015	41105	101178	142283	28.9%

