



AdSphere™

POWERED BY DRMETRIX

5 x 5 INDUSTRY STUDY

5 years
5 industry classifications.
2015 - 2019





DRMetrix celebrates the AdSphere database reaching 50 million detected airings with our first ever 5 x 5 industry study. (5 years - 5 industry classifications).

Thank you to all of our client partners, your support has made this study possible.

Joseph Gray
CEO



INTRODUCTION

DRMetrix is honored to present its newest industry study providing insights into the direct-to-consumer aka "brand-direct" and direct-response television industries. In celebration of our television research system, AdSphere, hitting the 50 million airing mark, this new 5 x 5 industry study is our largest and most comprehensive ever. It includes five years of industry trends (2015 - 2019) with projected media expenditures across five brand classifications. The results for 2019 Q4 were projected based on having actual airings through Q3.

In 2018, the most recent closed year, more than \$12.3 billion of national ad spend were from campaigns that ask consumers to take action, such as by visiting a website or going to an app store. Moreover, this represents an increase of 16.96 percent over the previous year. The count for distinct brands who provided a way for consumers to respond to their TV advertising was 4,751 for the year. 40.37 percent of those used traditional direct-response (DR) techniques such as the use of DR variations. These can be described as the assignment of unique call-to-action variants that allow advertisers to track consumer response back to specific networks, dayparts, and programs. The use of DR variations is proven over many decades and a variety of methods are used including unique web-based promotion codes, SMS codes, and differing phone numbers. By using DR variations, advertisers are able to better track the performance of their campaigns in real time as well as optimize their TV buys to produce the highest level of return-on-investment (ROI).

The use of DR variations, in high frequency campaigns, should be an important component in the overall TV attribution model.

[Click here](#) to skip to the TV attribution section which includes a more detailed overview/study of this topic.

It took over seven years to build, launch, and collect the data that has contributed to this study. Since its inception in the fourth quarter of 2014, AdSphere has identified more than 11,000 brand-direct and direct-response brands, and over 55,000 consumer-response creatives. In addition to detecting over 450,000 infomercial (28.5 minute) airings, AdSphere's database contains over 50 million spot airings.



In recent years, one of the biggest drivers of consumer-response advertising has been web- and mobile-based companies that have discovered the power of offline media such as television.

Between 2015 and 2018, network-television spending by these advertisers has averaged 26.6 percent growth annually. Some of these advertisers are also discovering the measurability and power of traditional direct-response, which often uses longer formats ranging from 60 seconds to 28.5 minutes, to drive higher levels of consumer engagement and response.

Among the many traditional direct-response advertisers, who use DR variations to better track their ROI, are household names such as Nutrisystem, Proactiv, My Pillow, Jenny Craig, and Lifelock. DRMetrix's Adsphere research system tracks these and other brands advertising across more than 190 industry categories, such as beauty, fitness, home & garden, housewares & appliances, insurance, legal services and so on.

For its study, DRMetrix monitored 130 national cable networks using state-of-the-art automated content recognition (ACR) and tracked commercials that provided a phone number, web address, mobile SMS code or app store logo from Apple or Google.

DRMetrix keeps track of where these advertisers are spending down to the network, daypart, and program level in order to help everyone in the industry become more successful and know where ROI is found in national television advertising.

MEDIA VALUATION METHODOLOGY

DRMetrix has partnered with numerous agencies, as well as third party media rate aggregators, to create the industry's first rate database based on the averages of what brand-direct campaigns are paying for network daypart inventory. Major media holding companies, placing hybrid brand-direct campaigns, represent the vast majority of the business. Understanding this, DRMetrix has created these rate metrics in order to provide the industry with a more realistic understanding of the size of the direct-to-consumer marketplace which includes brand-direct as well as traditional direct response campaigns. DRMetrix has also collaborated with leading long form agencies and advertisers to build a rate database for 28.5 minute infomercials. Expenditures for Q3 and Q4 of 2019 are projected based on current and prior year trends. DRMetrix is projecting negative and/or slower growth in 2019 across four of its five industry brand classifications.

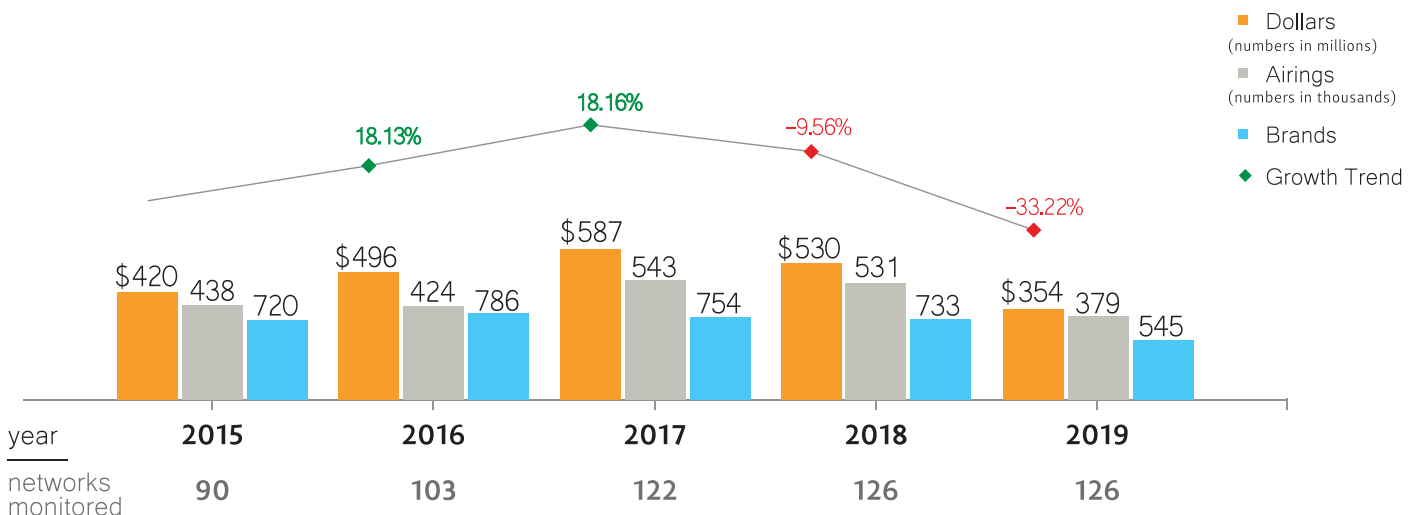


PROJECTED EXPENDITURES BY BRAND CLASSIFICATION Using Brand-Direct (\$)

SHORT FORM SET TO DECLINE 33% IN 2019

The brand classification “Short Form Products” includes campaigns that use DR variations to better measure their advertising ROI. This category also requires disclosure of the full price of the base product being advertised. After two years of growth in 2016 and 2017, we are reporting a 9.56 percent decline in media expenditures for this classification in 2018 and a much larger projected 33.22 percent decline in 2019. For cause of change, AdSphere shows that a group of nine advertisers, out of 124, accounted for \$136 million in reduced media expenditures over the prior year through Q3 of 2019. The largest of these was the Proactiv Company with a reduction of \$43.5 million.

NATIONAL CABLE MEDIA BILLINGS SHORT FORM PRODUCTS



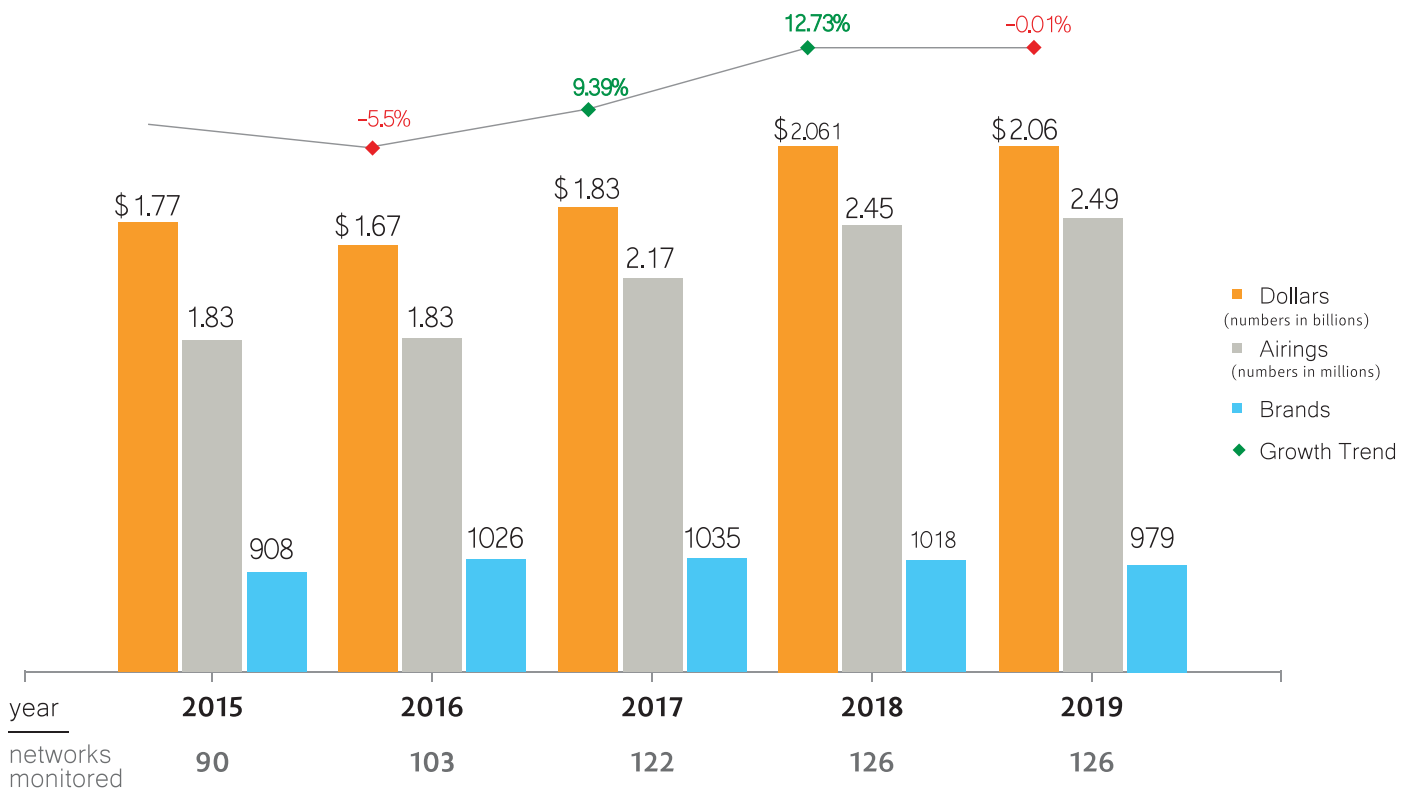
Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory. For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



LEAD GENERATION PLATEAUS IN 2019

The brand classification “Lead Generation” also includes campaigns that use DR variations, but do not advertise full price points. Such campaigns include multi-pay and free-trial offers as well as call for free information solicitations. In terms of traditional direct-response classifications, Lead Generation is the largest classification with more than \$2 billion in media expenditures for 2018 and 2019.

NATIONAL CABLE MEDIA EXPENDITURES LEAD GENERATION



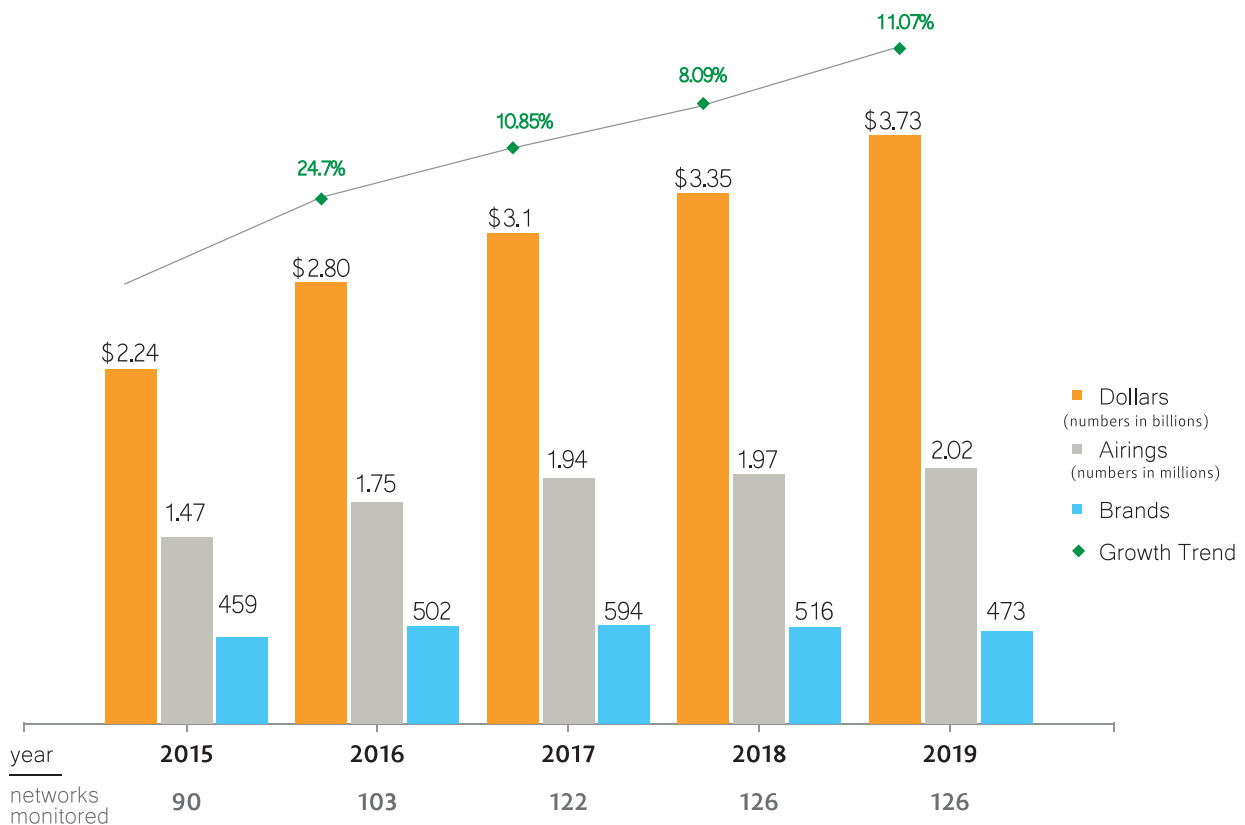
Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory. For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



BRAND-DIRECT CONTINUES EXPLOSIVE GROWTH

Brand-Direct campaigns do not use DR variations. They use a combination of vanity web addresses or phone numbers, SMS, or mobile app store calls to action. Many of these campaigns execute a combination of direct-response daypart buys and program specific brand buys. DRMetrix segments these offers into two camps: those advertising vanity phone numbers and those using non-phone methods of response such as web and/or mobile. Based on the data, it's clear that network ROS daypart inventory continues to be under pressure from brand-direct advertisers as they continue to enjoy impressive growth year-over-year.

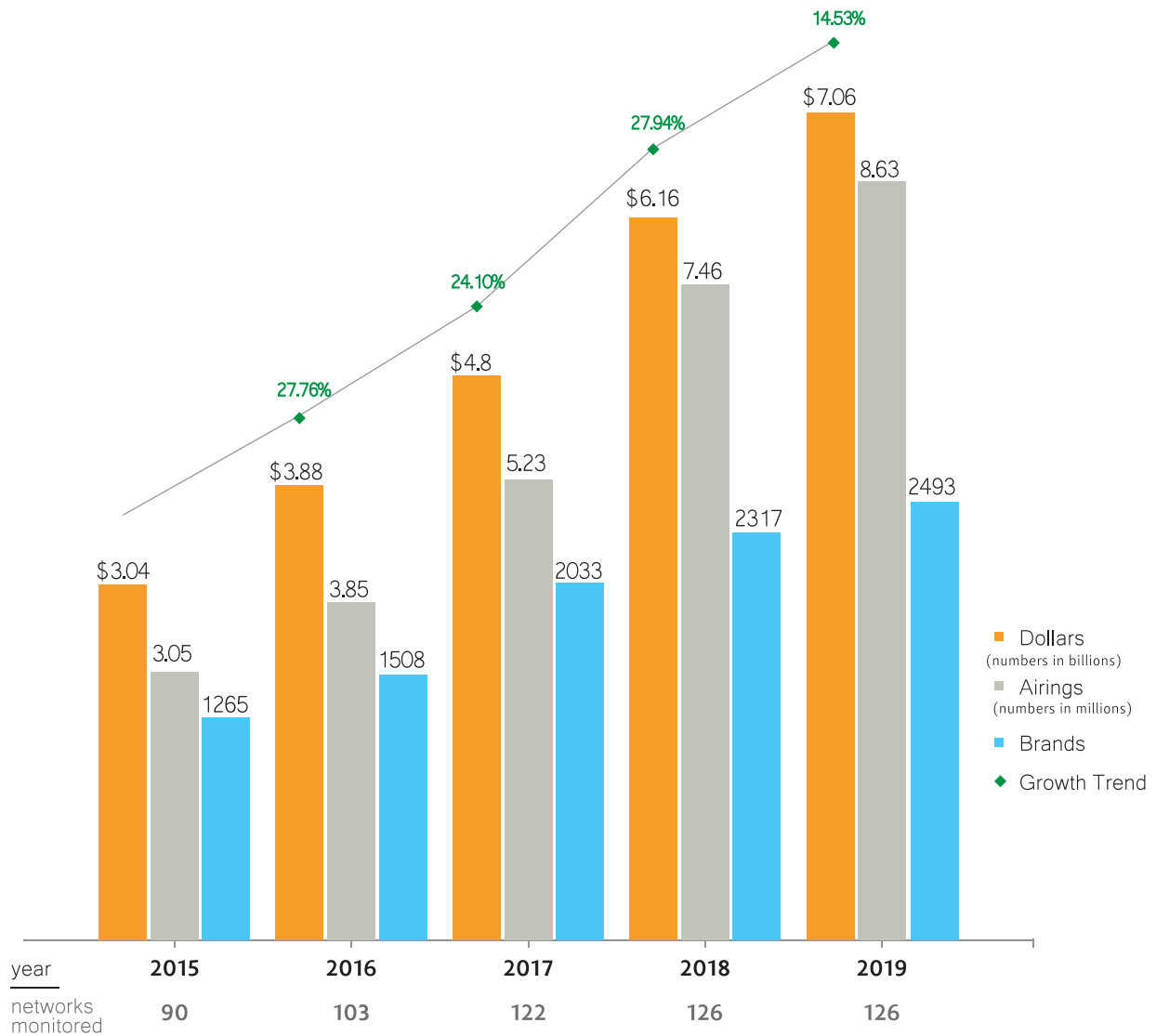
NATIONAL CABLE MEDIA EXPENDITURES BRAND-DIRECT (PHONE)



Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory. For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



NATIONAL CABLE MEDIA EXPENDITURES BRAND-DIRECT (WEB/MOBILE)



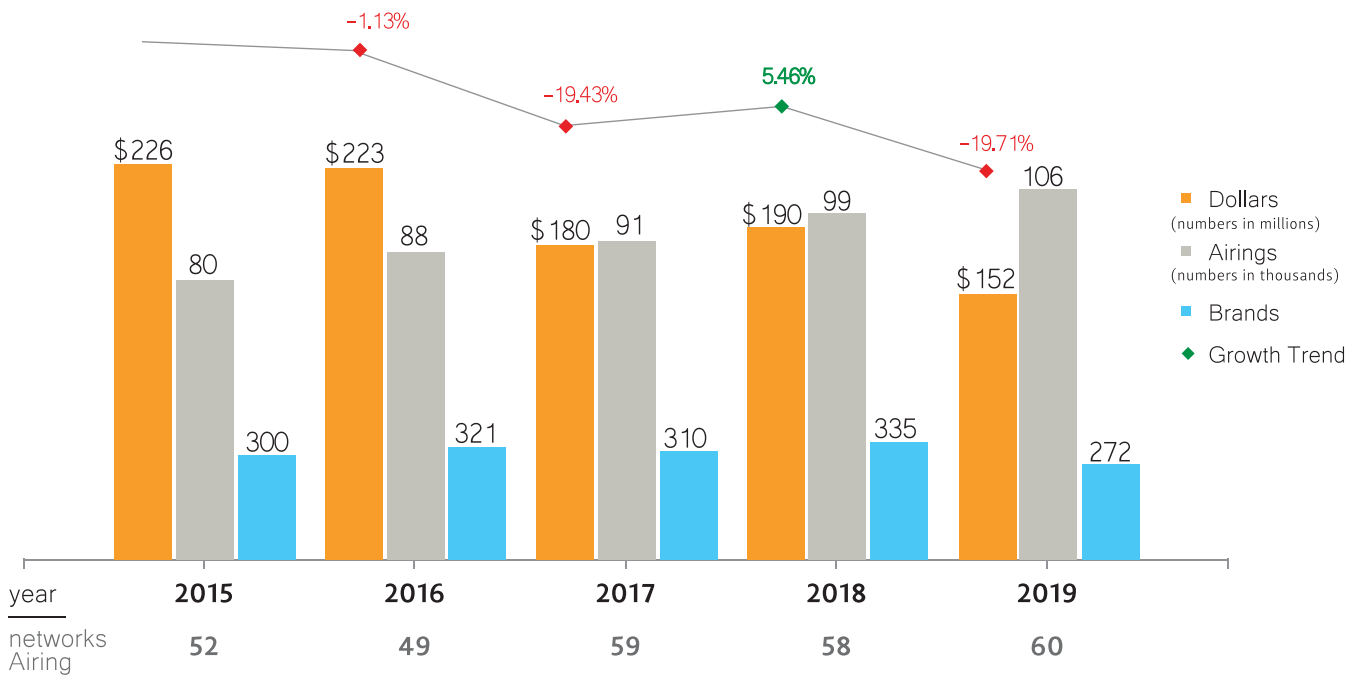
Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory.
For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



LONG FORM (28.5m) UNITS INCREASE - RATES SOFTEN

Our last brand classification is Long Form, which is primarily comprised of advertisers using the 28.5-minute infomercial format. In 2019, less than half of the networks monitored by DRMetrix offer inventory for this format. With the exception of 2017, infomercial airings have increased in number for each successive year while media billings have declined in all years -- except 2018, which saw a 5.46 percent increase in infomercial billings. The data suggests infomercial prices have softened while airings have mostly increased with more than 100,000 infomercial airings projected for 2019.

NATIONAL CABLE MEDIA EXPENDITURES LONG FORM (28.5 m)



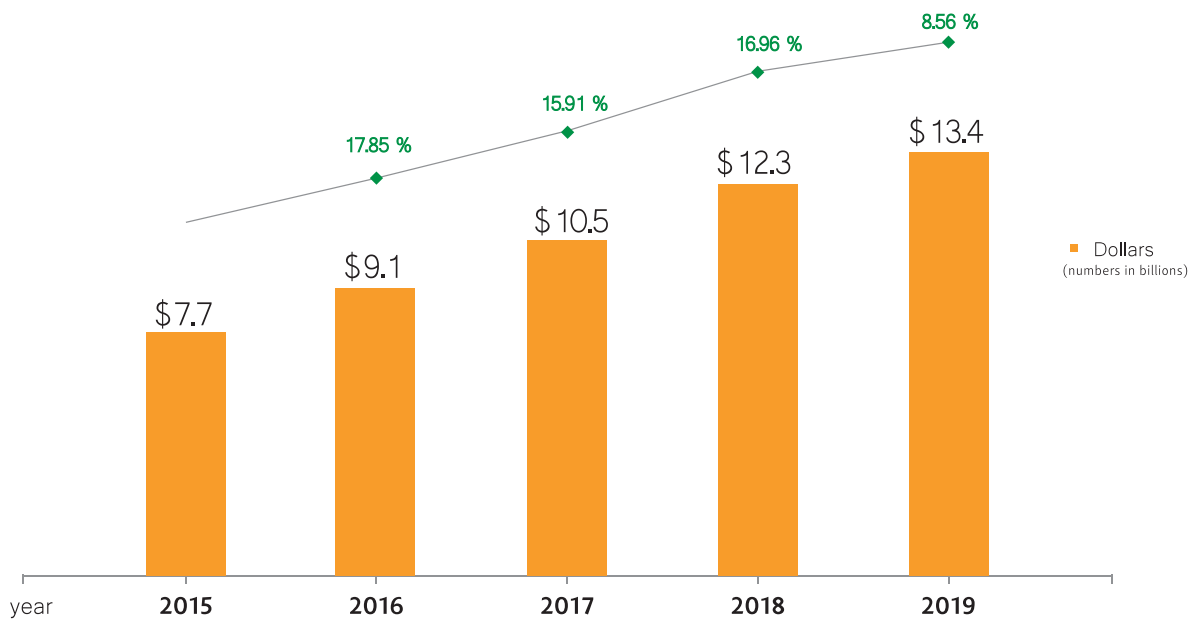
Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory. For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



AGGREGATE MEDIA EXPENDITURES FOR ALL 5 BRAND CLASSIFICATIONS

Media expenditures across short form products, lead generation, brand-direct, and long-form brand classifications have increased 17 percent on average between 2015 and 2018. DRMetrix is projecting a smaller 8.5 percent growth for 2019 with the bulk of the decline falling into the short-form products and long-form brand classifications. Estimated national cable media expenditures increased to \$12.3 billion in 2018 and are projected to exceed \$13.4 billion in 2019.

NATIONAL CABLE MEDIA EXPENDITURES OVERALL TOTAL



Note: Projected dollars are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory. For 2019, expenditures are projected for Q3 and Q4 and airings are projected for Q4.



THE RISE OF LONGER FORMATS (Yearly Airings by Ad Format)

The following chart shows the ad unit growth for various creative formats from 2015 - 2018.



There were a few formats that experienced rather significant growth in 2018. We've provided some additional details on these formats.

The 45 second format grew by 583.86% due to the following brands:

It's interesting to see the pharmaceutical companies migrating to longer ad formats.

Brand Name	Advertiser	Airings	Spend (\$)
Taltz	Eli Lilly and Company	11,193	35,190,385
Otezla	Celgene	6,964	22,609,444
Tremfya	Johnson & Johnson Services	9,598	14,065,710
Lo Loestrin Fe	Allergan	2,194	7,570,227
Symbicort	AstraZeneca	3,121	6,186,016
Stelara	Johnson & Johnson Consumer	2,412	4,796,232
Lyrica	Pfizer	1,798	4,622,389
Frixion Erasable Pen	Pilot	690	654,906
Panera Bread	Panera	81	201,707
Cosequin	Nutramax Laboratories	33	136,091
Trintellix Vortioxetine	Lundbeck	40	59,771
Wilson Staff Cortex	Wilson Sporting Good	55	27,108
MTV - Plus 1 The Vote	Viacom International	19	13,973
Half Of Us	Viacom International	110	2,914
PhotoArk.org	National Geographic Society	2	1,427



The 180 second format grew 487.03% due to these brands:

Brand Name	Advertiser	Airings	Spend (\$)
ASPCA	American Society for the Prevention of Cruelty to Animals	4,303	9,638,775
SoClean	Soclean	4,370	7,941,198
Humana - Medicare	Humana Insurance	2,178	4,832,654
Luminess Silk Infinite Beauty Collection	Luminess Direct	2,574	3,206,486
St. Jude Children's Research Hospital	St Jude Children's Research Hospital	273	1,146,163
Humana - Dental	Humana Insurance	310	1,078,401
Proactiv+	The Proactiv Company	1,251	986,096
Medicare.com	eHealthInsurance Services	495	869,792
Laser Spine Institute	Laser Spine Institute	421	675,557
Generac Home Standby Generators	Generac Power Systems	967	528,370
Web.com	Web.com Group	265	319,897
Sonobello Body Contour Centers	Body Contour Centers	365	219,865
Lipozene	Obesity Research Institute	287	197,283
Omega XL	Great Healthworks	161	149,145
Hair Club	Hair Club for Men	258	142,803
Calming Comfort	Sharper Image	78	110,692
TruStage Insurance Agency	Cuna Mutual Insurance	19	88,920
Super Beets	NeoGenis Laboratories	37	77,923
Plexaderm	True Earth Health Products	70	47,381
Power AirFryer Oven	Tristar Products	105	41,667
Teeter FitSpine	STL International	30	37,275
ReminX	Dthera Sciences Operations	30	37,193
MyPhoto.com	Photo & Go Web	3	26,475
Power Smokeless Grill	Tristar Products	44	23,734
DermaWand Pro	ICTV Brands	105	23,545
Sensilift	Sensica Inc.	37	15,048
Gotham Steel Pan	E. Mishan & Sons	35	8,091
Own Zone	Allstar Products Group	5	4,707
Bell+Howell Tac Glasses	E. Mishan & Sons	23	4,032
Slim Cycle	Telebrands (Bulbhead)	9	3,896
Bell+Howell TacLight	E. Mishan & Sons	14	3,319
Hydra Light	Infomercials	5	3,283
Bell+Howell Tactical Lighter	E. Mishan & Sons	13	2,837
Arctic Air	Ontel Products	7	2,334
JustiFLY	Champion USA	2	585

The 75 second format grew 184.62% due to these 5 brands:

Brand Name	Advertiser	Airings	Spend (\$)
Trulicity	Eli Lilly and Company	11,349	50,342,390
Xarelto Rivaroxaban Tablets	Johnson & Johnson Services	10,891	35,487,857
Ibrance	Pfizer	2,734	19,748,531
Opdivo	Bristol-Myers Squibb	2,563	9,656,678
Luminess Air	Luminess Direct	9	14,031



PROJECTED EXPENDITURES BY MASTER CATEGORY (2015 - 2018)

Over the next few pages, we're proud to present 2015 - 2018 projected media expenditures by brand classification across 20 industry categories. In the AdSphere research system, each of these master industry categories include numerous nested subcategories that number over 190. For example, under the master category Beauty, Hygiene & Personal Care, there are subcategories for Beauty Shops/Salons, Cosmetics & Skin Care, Hair Restoration Products, Hair Styling Accessories, Oral Hygiene Products, and Personal Grooming & Supplies. Under the master category Legal Services there are subcategories for Bankruptcy, General, Personal Injury, and Tort & Class Action.

Within AdSphere, one can study campaigns across any of these 190 category/subcategory combinations to understand spend levels, the ranking of network/dayparts based on share of category dollars, and even study the best performing creative executions.

INDUSTRY CATEGORY - SHORT FORM PRODUCTS				
MASTER CATEGORIES	2015	2016	2017	2018
Beauty, Hygiene & Personal Care	143,472,832	154,117,028	180,970,952	223,573,174
Communications	9,164,785	53,797	0	6,197
Drug & Toiletry	0	0	56,369	257,633
Education	0	87,303	0	33,282
Electronic & Software	8,290,712	9,746,077	20,562,498	21,068,241
Entertainment Venues	0	0	0	0
Financial	880,383	7,112	0	28,737
Health & Fitness	89,359,357	107,842,729	107,852,588	83,252,209
Home & Garden	13,069,598	45,486,016	43,053,385	38,690,893
Housewares & Appliances	40,039,250	62,376,776	101,941,355	78,364,414
Infotainment	0	0	0	0
Insurance	0	0	0	0
Legal Services	0	0	0	0
Manufacturers's Coupon Offers	0	0	0	0
Miscellaneous	111,348,947	114,882,457	129,913,906	81,268,229
Music and Video	2,052,300	1,690,916	2,181,084	3,928,239
Online Services & Shopping	0	0	0	18,153
Public Service	2,533,376	148,330	40,259	0
Retail, Restaurant & Food Venues	0	0	0	0
Transportation (Sales and Repair)	0	0	0	0
Travel, Vacation and Hotel	46,537	0	0	0
	420,258,076	496,438,541	586,572,395	530,489,403



INDUSTRY CATEGORY - LEAD GENERATION				
MASTER CATEGORIES	2015	2016	2017	2018
Beauty, Hygiene & Personal Care	71,465,584	43,858,175	45,017,400	79,346,883
Communications	46,458,250	32,997,706	25,768,364	19,805,931
Drug & Toiletry	24,371,737	29,682,239	12,384,773	12,747,777
Education	110,860,831	56,332,815	36,258,620	66,487,714
Electronic & Software	25,418,299	16,618,679	29,600,268	48,790,186
Entertainment Venues	505,377	284,569	1,066,425	3,052,737
Financial	205,644,473	201,737,894	193,002,990	183,487,313
Health & Fitness	435,803,166	500,086,286	643,755,130	723,364,352
Home & Garden	104,503,406	83,605,256	92,435,308	97,700,051
Housewares & Appliances	8,736,254	6,677,066	5,123,712	11,906,906
Infotainment	0	0	0	0
Insurance	297,691,624	346,438,408	292,169,539	380,511,396
Legal Services	112,435,672	82,916,459	89,677,363	86,130,208
Manufacturers's Coupon Offers	0	631	0	0
Miscellaneous	70,023,038	73,352,450	117,139,903	125,599,909
Music and Video	2,147	0	14,243	5,596
Online Services & Shopping	132,015,111	36,897,672	55,564,241	25,462,072
Public Service	113,727,526	139,710,641	170,166,072	160,646,552
Retail, Restaurant & Food Venues	0	0	0	0
Transportation (Sales and Repair)	1,529,416	1,336,900	748,870	9,121,678
Travel, Vacation and Hotel	7,564,386	18,963,810	18,543,124	26,948,174
	1,768,756,296	1,671,497,656	1,828,436,347	2,061,115,434

INDUSTRY CATEGORY - BRAND-DIRECT (PHONE)				
MASTER CATEGORIES	2015	2016	2017	2018
Beauty, Hygiene & Personal Care	4,017,413	10,171,423	4,372,059	24,462,201
Communications	174,464,998	203,080,840	144,908,999	153,859,866
Drug & Toiletry	649,500,011	1,086,414,829	1,496,384,516	1,838,960,127
Education	36,166,468	63,911,620	120,319,348	54,305,876
Electronic & Software	16,492,070	9,014,188	8,808,983	15,791,739
Entertainment Venues	324,100	362,406	765,336	343,939
Financial	96,981,403	85,021,554	84,467,824	60,487,016
Health & Fitness	61,858,644	73,421,682	137,407,581	144,976,179
Home & Garden	142,948,873	123,261,731	124,137,811	109,722,087
Housewares & Appliances	14,790,702	18,437,281	27,671,828	11,892,652
Infotainment	0	0	0	0
Insurance	808,973,994	822,161,868	707,260,156	718,187,445
Legal Services	8,913,249	3,997,857	14,353,958	1,900,131
Manufacturers's Coupon Offers	0	0	0	0
Miscellaneous	66,852,402	72,341,328	36,283,565	41,773,316
Music and Video	0	0	4,628	142,487
Online Services & Shopping	8,396,316	37,833,399	20,599,379	15,268,242
Public Service	74,024,666	64,678,898	49,439,678	38,883,955
Retail, Restaurant & Food Venues	1,308,278	5,390,955	7,084,473	8,554,090
Transportation (Sales and Repair)	26,997,035	39,987,849	42,274,397	42,163,088
Travel, Vacation and Hotel	51,922,684	79,981,760	76,716,615	72,535,476
	2,244,933,307	2,799,471,468	3,103,261,134	3,354,209,912



INDUSTRY CATEGORY - BRAND-DIRECT (WEB/MOBILE)				
MASTER CATEGORIES	2015	2016	2017	2018
Beauty, Hygiene & Personal Care	145,579,092	142,560,567	127,145,265	138,164,196
Communications	59,250,446	62,776,416	135,993,370	270,600,273
Drug & Toiletry	95,432,197	53,266,299	68,722,263	149,922,899
Education	150,347,453	157,642,884	165,116,475	205,076,792
Electronic & Software	226,895,385	317,779,920	406,213,756	384,112,330
Entertainment Venues	9,629,106	7,994,040	22,626,431	31,780,959
Financial	285,108,232	363,771,369	309,030,873	384,490,589
Health & Fitness	179,560,620	230,749,099	309,428,964	501,660,426
Home & Garden	210,208,984	264,212,702	390,511,286	439,179,380
Housewares & Appliances	83,858,809	86,059,727	210,595,231	264,221,925
Infotainment	0	0	0	0
Insurance	73,369,365	242,929,785	292,832,925	293,934,937
Legal Services	29,281,412	19,295,524	8,721,434	15,391,707
Manufacturers's Coupon Offers	125,982	6,853,075	5,159,444	626,523
Miscellaneous	758,760,389	980,613,615	1,178,691,634	1,255,771,889
Music and Video	7,258,473	4,796,704	19,438,083	9,758,612
Online Services & Shopping	97,538,864	187,027,021	236,721,349	287,851,624
Public Service	115,741,325	140,184,490	184,125,230	302,756,605
Retail, Restaurant & Food Venues	193,898,878	214,300,238	157,500,425	436,267,691
Transportation (Sales and Repair)	78,063,718	70,782,795	92,561,055	208,432,832
Travel, Vacation and Hotel	239,606,888	329,652,226	480,657,350	580,969,105
	3,039,515,617	3,883,248,497	4,801,792,843	6,160,971,294

INDUSTRY CATEGORY - LONG FORM (28.5 m)				
MASTER CATEGORIES	2015	2016	2017	2018
Beauty, Hygiene & Personal Care	56,195,058	50,753,295	47,247,530	41,041,550
Communications	114,363	169,054	2,238	0
Drug & Toiletry	4,191	3,780	82,385	0
Education	1,071,108	439,183	212,860	2,598,085
Electronic & Software	99,785	905,489	3,738,511	1,584,844
Entertainment Venues	0	0	0	0
Financial	1,128,557	581,261	961,874	9,142,549
Health & Fitness	79,397,396	61,157,162	38,290,533	46,214,069
Home & Garden	9,289,900	7,013,966	6,146,340	7,439,391
Housewares & Appliances	47,659,038	56,848,967	45,451,470	41,745,252
Infotainment	0	0	0	126,479
Insurance	8,123,344	8,276,005	5,704,729	4,918,677
Legal Services	0	0	0	57,261
Manufacturers's Coupon Offers	0	0	0	0
Miscellaneous	12,231,671	18,154,314	14,459,855	16,277,150
Music and Video	5,155,192	7,002,507	5,985,509	5,051,295
Online Services & Shopping	3,316,126	11,332,274	10,851,582	11,991,016
Public Service	1,597,819	529,811	470,138	1,425,691
Retail, Restaurant & Food Venues	0	0	0	0
Transportation (Sales and Repair)	0	0	0	0
Travel, Vacation and Hotel	340,589	0	191,750	0
	225,724,135	223,167,066	179,797,304	189,613,310



2018 TOP 10 BRANDS BY BRAND CLASSIFICATION

Short Form Products

Proactiv+	\$120,874,944
Luminess Silk Infinite Beauty	\$15,844,110
Crepe Erase	\$13,998,098
Finishing Touch Flawless Brows	\$12,484,935
Flex Glue	\$11,953,692
Lipozene	\$11,478,251
Magic Box	\$11,468,555
Finishing Touch Flawless Legs	\$11,234,590
GraniteRock	\$9,798,338
Bavarian Edge	\$9,775,956

Brand-Direct (Phone)

Liberty Mutual	\$209,851,030
Progressive	\$195,324,171
Humira	\$183,026,099
State Farm	\$153,630,702
Otezla	\$93,658,796
DirecTV & AT&T	\$92,070,416
The General Insurance	\$82,082,040
Cosentyx	\$68,881,461
Trulicity	\$59,725,906
Entyvio	\$58,718,424

Long Form

Meaningful Beauty Ultra	\$8,878,310
Credit Secrets	\$7,467,708
Lifelock with Norton	\$6,902,265
Total Gym	\$6,846,623
Luminess Silk Infinite Beauty	\$6,322,849
My Pillow Mattress Topper	\$6,162,747
LifeLock	\$5,006,382
3 Week Yoga Retreat	\$4,886,069
Power AirFryer Oven	\$4,855,856
Visiscal	\$4,783,147

Lead Generation

1 Nutrisystem	\$87,949,604
2 Nugenix	\$52,865,265
3 ASPCA	\$47,097,505
4 My Pillow	\$39,930,611
5 Consumer Cellular GrandPad	\$37,147,505
6 Cancer Treatment Centers	\$36,885,408
7 Jenny Craig	\$36,461,355
8 SoClean	\$32,995,162
9 St. Jude's Hospital	\$32,479,567
10 Plexaderm	\$29,902,165

Brand-Direct (Web / Mobile)

1 Walmart	\$94,283,570
2 Progressive (url only)	\$85,190,387
3 Chewy.com	\$81,320,669
4 Vista Print	\$79,017,210
5 Smile Direct Club	\$78,875,849
6 Wayfair.com	\$70,507,394
7 Southern New Hampshire Univ	\$67,666,453
8 Home Advisor	\$66,482,830
9 Experian	\$63,124,124
10 Carvana.com	\$61,899,505

Note: Projected expenditures are based on the average of what Brand-Direct advertisers are paying for network ROS daypart inventory



TV ATTRIBUTION

While television attribution models continue to improve, over 40% of consumer-response brands still use DR variations as an important part of their attribution strategy. This time proven practice has been around for decades. As an example, it has become common place in television and radio to provide consumers with a promotion code to use when visiting an advertiser's website. Whether using promotion codes, differing phone or web, SMS variants, etc., the goal is always the same – to attribute response back to specific media so that media schedules can be optimized. While the use of DR variations isn't right for every advertiser, one may wonder why DR variations are still being used today?

THE PROXIMITY OF AIRING ISSUE

If you have multiple national networks running commercial spots near one another, the attribution challenge becomes problematic. Depending on the frequency of the problem, and the number of networks involved, the use of DR variations can be a viable solution to a difficult problem.

The chart on the next page provides insight into this issue using data from 30 of the more prominent TV campaigns not using DR variations. DRMetrix wanted to determine how often these campaigns encountered conflicts where more than one network aired within a short period of time. We used a five and a one-minute delta for the study. The five-minute delta looks back five minutes and forward five minutes from when each spot ran to determine if there were any other airings for the brand on a different network. Similarly, the one-minute study looks back one minute and forward one minute. DRMetrix did not consider airings on the same network to be in conflict. For a conflict to exist there must be at least two airings on different networks within the allotted timeframe. DRMetrix also studied how many networks were involved on average when conflicts do exist.

In the case of Chewy.com, we analyzed 125,213 airings that AdSphere captured year-to-date. Approximately 117,918 airings had conflicts within a 5-minute delta which is 94.17%. The average number of networks involved during each period of conflict was 5.85. Assuming Chewy.com is doing TV attribution, this would only leave 6% of their airings unconflicted from which to build a model to accurately attribute the remaining 94.17%.



Brand Name	Total Airings	5 Minute Delta			1 Minute Delta		
		Airings with Network Conflicts (Within Delta)	Conflict Percentage	Number of Network Conflicts (Average)	Airings with Network Conflicts (Within Delta)	Conflict Percentage	Number of Network Conflicts (Average)
Chewy.com	125213	117918	94.17%	5.85	60539	48.35%	2.46
Chime	124461	117308	94.25%	5.93	62600	50.30%	2.49
GoodRX.com	121406	114259	94.11%	8.62	71159	58.61%	2.74
Home Light	118642	111929	94.34%	6.58	61809	52.10%	2.52
Smile Direct Club	103560	93831	90.61%	4.86	47187	45.56%	2.30
Home Advisor	97412	87241	89.56%	5.07	42540	43.67%	2.41
Nerd Wallet	87215	77471	88.83%	5.19	38103	43.69%	2.45
Touch Of Modern	86102	75127	87.25%	4.19	32921	38.23%	2.31
GoDaddy	81658	69551	85.17%	3.74	27550	33.74%	2.25
thredUP	80022	69534	86.89%	3.98	29268	36.57%	2.28
Peloton Cycle	79077	67581	85.46%	3.92	28167	35.62%	2.29
GrubHub.com	79012	69272	87.67%	5.09	33309	42.16%	2.42
Keeps	77943	66322	85.09%	3.60	26115	33.51%	2.20
Noom	77642	65830	84.79%	4.42	30582	39.39%	2.41
Fanatics	74204	61562	82.96%	3.44	23050	31.06%	2.22
Expedia	68711	56010	81.52%	3.42	20774	30.23%	2.21
Golden Corral	62431	52091	83.44%	3.91	21571	34.55%	2.29
Poshmark	62157	50001	80.44%	3.85	20696	33.30%	2.29
Purple Mattress	61259	48878	79.79%	3.48	18467	30.15%	2.23
4 imprint	57376	47723	83.18%	4.25	21121	36.81%	2.34
Warby Parker	57032	45747	80.21%	3.65	18452	32.35%	2.23
Carvana.com	55895	45761	81.87%	3.85	18625	33.32%	2.29
Progressive	55305	44323	80.14%	3.86	18258	33.01%	2.29
Wayfair.com	55170	45052	81.66%	3.72	18099	32.81%	2.26
Trivago	54368	41772	76.83%	3.28	14955	27.51%	2.21
Stamps.com	53367	41691	78.12%	3.98	17867	33.48%	2.33
Booking.com	52652	40216	76.38%	3.18	14103	26.79%	2.18
Credit Karma	51391	37446	72.86%	3.19	13338	25.95%	2.20
Angies List	49075	35638	72.62%	3.11	12625	25.73%	2.20
Ashley Homestore	48273	38927	80.64%	3.59	15533	32.18%	2.24

Traditional direct-response advertisers buy fixed network dayparts at a discount where there is little control over when spots run or which programs they air within. This is an accepted tradeoff that allows the direct-response industry to buy television time at lower rates. Because of the obvious variables involved, it is difficult to model future performance based on past airings data which further supports the use of DR variations.

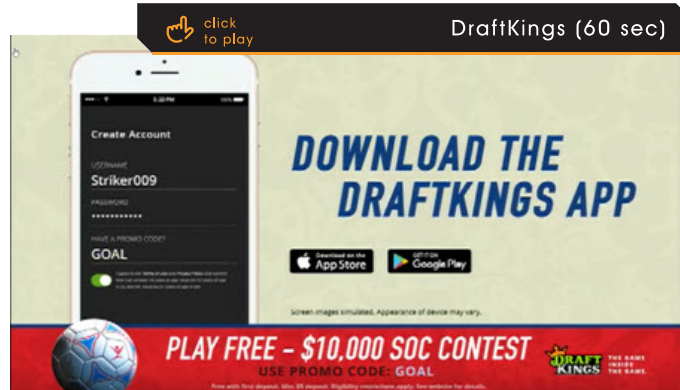
In conclusion, many direct-response advertisers use DR variations to improve the accuracy of their attribution and it has become an important part of their overall attribution model which often includes digital attribution, multi-touch, and other methodologies. The challenges advertisers face today with offline media attribution are significant enough to justify employing a combination of attribution methodologies which, for many, include the use of DR variations.

DRMetrix has provided some click-to-watch examples of TV campaigns using DR variations on subsequent pages of this study.

If your company uses vanity call-to-action in your television advertising, please email DRMetrix at info@drmetrix.com for a free proximity-of-airing report.



EXAMPLES OF DR VARIATIONS IN USE

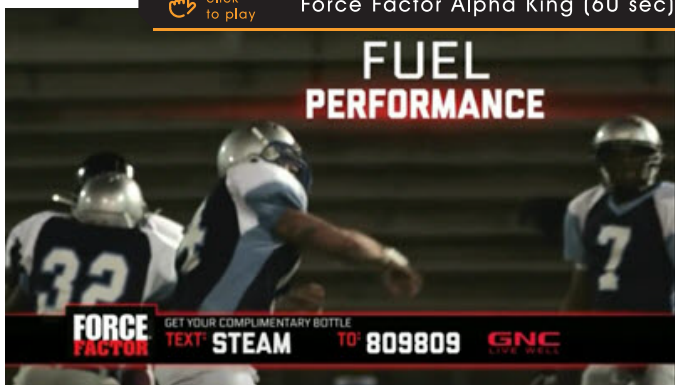


Click on images to play spots.



click to play

Force Factor Alpha King (60 sec)



Click on images to play spots.

click to play

Martha & Marley Spoon (30 sec)

martha & MARLEY SPOON

3 FREE MEALS & FREE SHIPPING

CODE: TV6

marleyspoon.com

Valid for new customers only with paid subscription. \$30.75 value. Not valid with other offers. Delivery restrictions may apply.

click to play

Slimfast (30 sec)

TEXT "ENERGIZE" TO 44222 FOR AN EXCLUSIVE OFFER

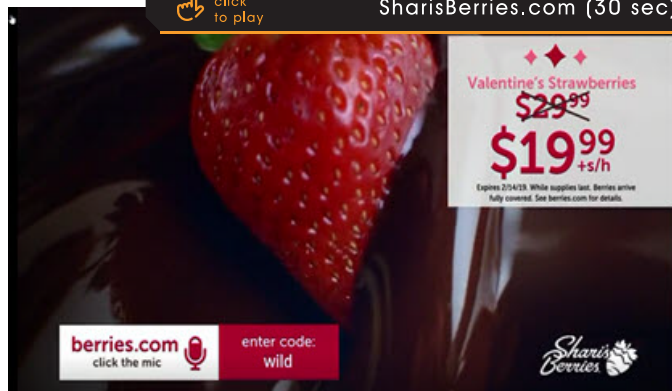
NEW SlimFast ADVANCED ENERGY!!!



Message and data rates may apply.

click to play

SharisBerries.com (30 sec)



Valentine's Strawberries

~~\$29.99~~

\$19.99 +s/h

Expires 2/24/23. While supplies last. Berries arrive fully covered. See berries.com for details.

berries.com click the mic

enter code: wild





FINAL THOUGHTS

A trusted industry source for tracking national media expenditures, Standard Media Index, reports national television advertising sales of \$45.5 billion in 2018. This figure combines sales from national broadcast and cable. DRMetrix estimates that national cable billings are closer to \$28 billion and that more than 40 percent, representing \$12.3 billion, came from commercials using a combination of mobile response, web, or phone numbers.

In 2018, more than 4,700 brands provided a way for consumers to respond to their TV advertising. Of these, 2,833 used a vanity call-to-action which limited their ability to attribute consumer response to the correct networks. The other 1,918 used more accountable direct-response methods which included the use of DR variations.

As web and mobile companies continue to migrate to television, they are often frustrated by the lack of measurement and accountability. The direct response television industry has been helping advertisers discover the power of accountable television for decades.

Beyond more effective attribution, traditional direct-response advertisers are vastly more successful in creating commercial campaigns that perform and generate ROI. Measurement breeds success, which is why direct-response writers produce the most effective commercials in the advertising industry.

Industry legend David Ogilvy, the man who many consider the father of modern advertising, said as much in a famous speech from the 1960s titled, ["We sell or else."](#) Ogilvy lauded the value of direct-response advertising and predicted the worlds of direct-response and general advertising were on a collision course. He recognized that longer ad formats were more effective than shorter formats and that direct-response advertisers were unique in their ability to determine which aspects of their television buys were actually working. He famously remarked: "You know to a dollar" what you are spending."



Ogilvy also predicted that the practitioners of general advertising would one day learn from the experience of the direct-response industry and stated it would be within the power of direct-response practitioners to rescue the advertising business from its “manifold lunacies.”

To learn more about the direct response television industry, visit the Performance-Driven Marketing Institute (PDMI) online at www.thepdmi.com

Through this industry study, DRMetrix is hoping more advertisers will become attracted to traditional direct response methodologies. The ability to measure consumer response back to individual network / daypart / creatives will allow them to better measure their advertising ROI. We look forward to continuing to promote the direct-response industry through research and education.

If you are interested in learning more about the direct-response industry, or learning where ROI is found in television advertising, please contact DRMetrix for a complimentary two-week trial of AdSphere.

