STUDY BY DISNEY|ABC TELEVISION AND ACCENTURE STRATEGY IDENTIFIES KEY DRIVERS OF MULTIPLATFORM TELEVISION ROI

“The Power of Content to Drive ROI” analysis finds that Audience Size, Viewer Commitment and Quality Content Drive Sales

A new study from Disney\ABC Television and Accenture (NYSE: ACN) Strategy has identified audience size, consumer commitment to content and consumer perceptions of content quality as three key drivers of multiplatform television advertising return on investment (ROI). Specifically, the study — The Power of Content to Drive ROI — found that higher-rated programs (i.e., audience size) drove two times the ROI beyond the cost index; programs that viewers made an effort or had greater intention to watch (i.e., consumer commitment to content) drove up to two times the ROI — as did programs with high social media engagement; and that shows with higher viewer evaluations (i.e., consumer perceptions of content quality) or emotional connections also delivered nearly two to four times the ROI.

The Power of Content to Drive ROI is the second phase of a robust analysis that Disney\ABC Television commissioned from Accenture Strategy. In 2016, the companies released “Cross Channel Advertising Attribution: New Insights into Multiplatform TV,” a report that demonstrated that multiplatform television delivered superior ROI over search, display and short-form video.

“We are investing to deeply understand our viewers so that we can ensure we’re developing emotionally engaging content for consumers and extending the connections we’re making with viewers to our advertising partners,” said Cindy Davis, executive vice president, Consumer Experience, Disney\ABC Television. “Collaborating with Accenture Strategy on this second study builds upon the findings of our first study, helps our partners and clients understand the true power of multiplatform television and provides them with opportunities to deliver increased ROI.”

Mike Chapman, a managing director in Accenture Strategy and global lead of Accenture’s Media & Entertainment strategy consulting practice, said, “Our attribution studies have uncovered unique and powerful insights that simply weren’t available before to enable marketers to make more informed allocation decisions in a multiplatform advertising environment and unlock more value from their advertising spend. We have quantified the magnitude of impact that compelling content and holistic viewer engagement has on advertising ROI, and we are pleased that Disney\ABC Television continues to take a proactive approach to demystifying advertising ROI for its partners and allows us to test for new drivers of performance.”

The Power of Content to Drive ROI uses multiple data inputs as independent variables that could be tied to specific programs, helping content creators and marketers better understand how they affect actual sales. Select findings and highlights from the report include:

Audience Size:
While higher-rated programs have traditionally been presumed to have higher ROI, this was among the first studies to quantify ROI. The analysis found that higher-rated programs (those with a 1.0 rating or greater) deliver twice the ROI of lower-rated programs (those rating below a 0.4), outweighing the higher costs of premium programming.

As ratings increase, so does cost – but sales could increase even faster, meaning that the resulting value far outweighs the higher out-of-pocket cost.

This analysis confirms that not all gross rating points (GRP) are created equal and that higher-rated content works harder to accomplish ROI goals. Based on this, the study found that higher-rated programs drive sales per impression that are 92 percent higher than the cost per impression for advertising included in that content.

**Viewer Commitment:**
Programs that viewers prioritize watching drive higher ROI, measured in several ways:

- Content with strong consumer effort to watch (ePoll) – medium effort to watch yielded 1.3 times ROI and higher effort to watch yielded 1.6 times ROI.

- High consumer intent-to-view (Magid) – medium intent-to-view yielded 1.8 times ROI and higher intent-to-view yielded 2.0 times ROI.

Programs with more consumer engagement on social media deliver heightened ROI:

- Programs that garner medium-to-high social commentary, as measured by Nielsen Social, drive 1.6 to 2.0 times the ROI of programs that have low to no social commentary.

- Viewer commitment to content and related social commentary has serious implications for advertisers and indicates the value of being included in not only live content but also in VOD content, as well as part of the social dialogue that accompanies truly engaging content.

**Consumer Perceptions:**
Programs that viewers rate more highly or that resonate on certain emotional dimensions drive ROI higher for the advertisers in that content. For instance, when a consumer gives a show a higher quality evaluation, regardless of critical acclaim or genre, it delivers 1.7 times the return of a less-favorable show.

The report also explored the connection between emotional connection/perception of content to ROI using eight emotional dimensions published by Magid’s Emotional DNA™ tool (eDNA). It found that certain emotional dimensions of content work harder to drive ROI even higher. Most notably, content that’s perceived to have a high degree of relatibility, (i.e., programming that is original, suspenseful and intelligent); edge (i.e., programming that is outrageous and funny) and smarts, (i.e., programming that’s informative and inspiring) is credited with driving the greatest ROI – by as much as 2.5 to 4.0 times versus the average.

“Our study results have significant implications for marketers and programmers alike,” Chapman said. “These findings could influence marketers’ investments in content-specific advertising opportunities and programmers’ pricing approaches in the future. Emotional connection to content
matters more than ever, and brands should consider ways to align with content to drive the greatest ROI.”

Insights from The Power of Content to Drive ROI were based primarily on data from the Accenture Marketing Analytics Platform (AMAP), a proprietary, robust database of more than U.S. $25 billion in anonymized marketing spend from 2013 to 2016, across more than 25 leading national brands representing six industry categories. AMAP data was analyzed against other data sources – including Nielsen Ratings, ePoll, Nielsen Social and Magid’s Emotional DNA™ product – to uncover the drivers of multiplatform television ROI.

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Disney|ABC Television Group is comprised of The Walt Disney Company’s global entertainment and news television properties, owned television stations group, and radio business. This includes ABC Studios, a global leader in the development, production and distribution of entertainment content across broadcast, cable and on-demand platforms; the ABC Owned Television Stations Group; and The ABC Television Network, which provides entertainment and news programming to viewers via more than 200 affiliated stations across the U.S. It also includes Disney Channels Worldwide, a portfolio of 120 kid-driven, family-inclusive entertainment channels, including Disney Channel, Disney XD, Disney Junior, Disney Cinemagic, Hungama, and Radio Disney brands, as well as cable network Freeform, which targets millennials. Disney|ABC Home Entertainment and Television Distribution and Disney Media Distribution round out the portfolio. Disney|ABC Television Group also has equity interests in A+E Networks and Hulu.

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