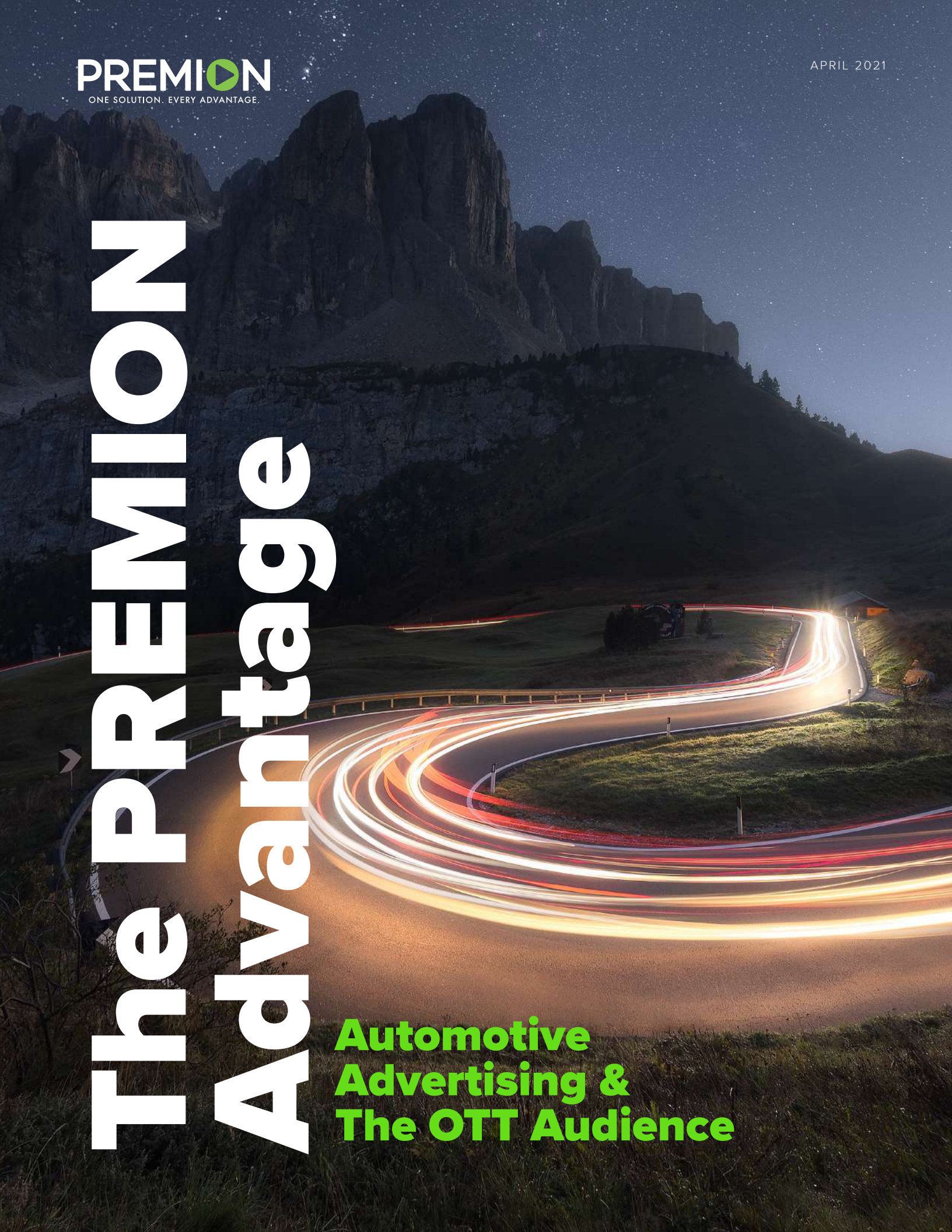


The PREMION Advantage

**Automotive
Advertising &
The OTT Audience**



How are **automotive advertisers** effectively leveraging streaming TV advertising?

This guide dives into automotive advertising,
the OTT opportunity & **The PREMION Advantage**



Market Opportunity

The growing consumer optimism for the economic rebound is boding well for the automotive sector, which was already experiencing greater demand during the pandemic, as more consumers embraced car ownership as the safe mode of transportation amid health and safety concerns. In fact, U.S. auto sales for the first quarter of this year surged more than 8%, according to analysts' estimates¹. This year, Truecar projects that there will be 16 million new U.S. vehicle sales,² and Cars.com December 2020 research found that 85% of shoppers plan to purchase a car in the next six months³.

To leverage the growing car ownership trend, dealers are further bolstering their omnichannel strategies to offer a seamless car buying experience, whether consumers opt to shop online, at a dealership, or both. New innovations have transformed the car buying experience as auto brands and

dealers have accelerated their investment in digital capabilities to offer virtual car-buying tools and contactless home delivery options in response to new consumer behaviors. Car buyers can now browse, purchase and complete their entire transaction digitally – including delivery of the car to their home. According to Wards Intelligence, automotive dealers believe digital will account for more than half their sales in three years⁴.

With expanded options for at-home car buying and browsing, automotive advertisers are tailoring their messaging and taking a more localized approach to reach the growing car-buying audience. And, because the purchase of a car is often a reflection of a consumer's lifestyle, needs, habits, location and budget, auto advertisers are capitalizing on precision targeting and measurement capabilities with OTT advertising.

¹Los Angeles Times, Auto sales jump compared with last year's COVID-stricken first quarter, April 2021

²PR Newswire CISION, TrueCar Forecasts 16.0 Million New Vehicle Sales for 2021, January 14, 2021

³Cars.com, End-of-Year Car Deals With Up to 19% Savings Motivates Shoppers to Buy, Dec. 22, 2020

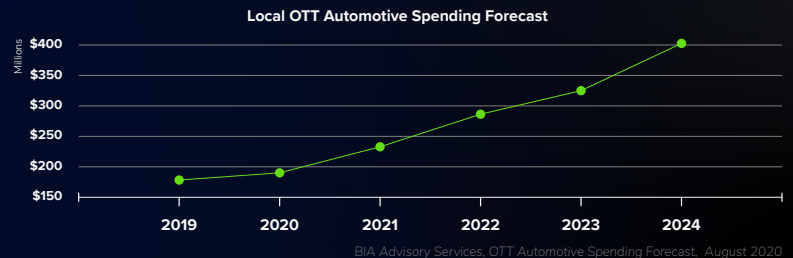
⁴Wards Auto, How Digital Sales Will Reshape Automotive Sales, Service, and Showrooms, Jan 13, 2021

Auto intenders — consumers who plan to buy or lease a new car — are the lifeblood of the car industry and they now make up a large swath of OTT viewers.

Why OTT?

With 106M CTV-enabled U.S households⁵ serving over 230M OTT users,⁶ OTT has become a vital component of a healthy media mix for brands and advertisers on both a national and local level. A study last year predicted that, nationally in 2020, advertisers planned to spend just over \$11M per advertiser on CTV.⁷ Locally, automotive OTT ad spend is forecasted to reach over \$295M in 2022; forward-looking local ad spend predictions note a +14% YOY increase in 2023 (\$338M) and +20% YOY increase in 2024 (\$406M).⁸

The allure of OTT is that it offers the best of the big-screen TV viewing experience with digital media’s precision in targeting and measurement. With OTT, advertisers can reach the most engaged audience, as the chance of a viewer navigating away from an ad served on a self-selected show is low. And since OTT ads are non-skippable, the video completion rate typically averages 95% or higher.



As early adopters of OTT advertising, automotive brands recognized the benefits of streaming advertising and its ability to target consumers by demographic, geography, interest, behavior or lifestyle. Auto intenders – consumers who plan to buy or lease a new car – are the lifeblood of the car industry and they now make up a large swath of OTT viewers. According to a Fall 2020 MRI-Simmons study, 94% of OTT viewers own or lease a vehicle and 90% of people planning to purchase a car in the next twelve months are OTT viewers.⁹ The ability to target auto intenders, combined with advanced attribution capabilities, makes streaming TV advertising especially valuable for auto advertisers.

With OTT attribution, an auto dealer can measure how many viewers visited a dealership, a dealer website, or even purchased a car after viewing an ad, which is incredibly powerful for proving the efficacy of campaign spending. Today, website attribution measurement can be done through placing a pixel on a client’s website to track how many viewers that were served an ad subsequently went to their website. For footfall attribution, there are third-party vendors that measure when customers walk into a store. This data is then connected to ad exposure to measure conversion rates of OTT viewers to in-store visits.

⁵ eMarketer, OTT Video Service Users, February 2021

⁶ eMarketer, Connected TV households, February 2021

⁷ IAB US 2020 Digital Video Advertising Spend Report: Putting COVID in Context, June 2020

⁸ BIA Advisory Services, August 2020

⁹ MRI-Simmons, Fall 2020 NHCS Adult Study 12-month

The Automotive Audience & OTT

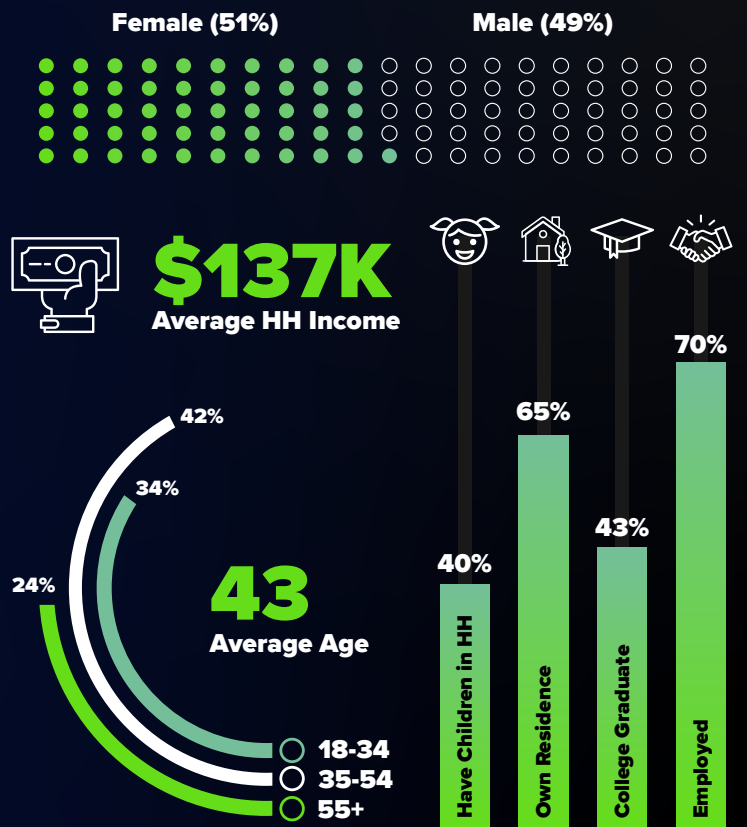
Now, more than ever, consumers are turning to technology to enrich their car-buying experience. With the accelerating growth of ad-supported OTT viewing, auto advertisers are primed to reach an engaged, tech-savvy audience that's highly receptive to receiving brand messages of convenience, safety and innovation.

A recent MRI-Simmons study found that **OTT viewers are more likely to spend \$60K or more on their next car purchase compared to the average consumer**; with a focus on features such as bluetooth, safety, security, comfort and convenience.

Automotive advertisers can leverage OTT capabilities to reach audiences based on demographics, interests, behaviors and geographies. For instance, auto brands looking to advertise their latest mid-size SUV or tout a high safety rating can target households with kids that would benefit from a roomy vehicle with advanced safety features. Targeting households with a high-income may be the best choice for luxury brands, while rural geographies may benefit from models that offer four-wheel drive and great highway mileage.

The OTT advantage for auto advertisers doesn't end with audience alignment. Campaign reporting and audience insights, website and dealership attribution, and dynamic advertising provide a plethora of options for brands to strategize and strengthen their advertising campaigns. Thus, the digital foundation of OTT is proving to be an essential piece of full-funnel marketing and advertising plans.

OTT Viewer Expected to Buy or Lease a New Car in the Next 12 Months¹⁰



¹⁰ MRI-Simmons, Fall 2020 NHCS Adult Study 12-month

Why Choose PREMION?

Automotive advertisers need a trusted CTV/OTT advertising partner that can execute locally, reach the right consumers at the household-level, provide powerful attribution capabilities, and reduce wasted impressions. PREMION is a proven partner in driving measurable outcomes for many auto brands. We've run a multitude of auto campaigns – from local, regional, and large national brands.



TAG Certified
Against Fraud



2021 Tech Leadership Award Winner
Best OTT & Streaming Technology



2020 Cynopsis Adtech Award Winner
Outstanding Local Advertising Solution

865
Clients

Sub-Categories

- Tier 2 & Tier 3 Auto
- Dealerships (New & Used)
- Auto Repair & Services
- Major Foreign & Domestic Auto Brands

5.1K
Campaigns

Audience Options



Auto-Intender



Auto Make
(Brand Name)



Auto Type
(Domestic, Luxury, Economy, Used, etc.)



Auto Household
(2-car, Lease, Lease Expiring, etc.)



Auto Body Style
(Compact, Pickup, Sedan, SUV, etc.)



Auto Service
(Parts, Repair, Service, etc.)



Vehicle Year
(1995-1999, 2010-2014, etc.)



Vehicle Mileage
(10K+, etc.)

8.4B
Impressions

Measurement Opportunities

- Website Attribution
- Linear Reach Extension

273%
Campaign Growth

Targeting Strategies

- **IN-MARKET:** Auto Intenders
- **INTEREST:** Luxury, Outdoor, Children in Household
- **CUSTOM SEGMENTS**

Data reflects Premion activity Jan 1, 2018 - December 31, 2020

PREMION

ONE SOLUTION. EVERY ADVANTAGE.

CHOOSING A QUALITY OTT PROVIDER

TOP 10 ADVERTISER CHECKLIST

10 Essential Questions Every Buyer Should Ask Before Advertising on CTV/OTT

- How do you source your inventory?
- Do you ever source inventory through Open Exchanges?
- Does your inventory reach both cable/satellite subscribers and cord-cutters?
- What are your tactics to ensure a brand-safe and fraud-free environment?
- What types of audience and geo-targeting do you offer?
- Does your reporting include measurement of reach and frequency?
- Do you provide full network-level reporting transparency?
- Will you share an comprehensive list of providers where inventory can run?
- Do you measure incremental reach against linear broadcast TV audiences?
- What types of attribution do you offer?