

DIRECT-TO-CONSUMER TELEVISION 5 X 5 INDUSTRY STUDY

5 years
5 industry classifications.
2016 - 2020

THE COVID EDITION



2020 was a year of challenge and opportunity for the direct-to-consumer (DTC) television industry.

With consumers in quarantine lock down, viewership was at an all time high. Regardless, many traditional brand advertisers pulled back on ad spend. While ratings data helps advertisers understand viewership levels, it doesn't provide insights into consumer response and/or buying behavior.

The pull back by traditional television advertisers caused media rates to plummet. Meanwhile, many DTC television advertisers, who were able to measure consumer response and buying behavior, found themselves in the midst of an unprecedented buying opportunity.

This study stands as a testament to those accountable TV advertisers who helped to sustain the television advertising industry during difficult times and profited in the process.

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

Joseph Gray
CEO

A handwritten signature in black ink that reads 'Joseph Gray'.



INTRODUCTION

DRMetrix, the direct-to-consumer television industry's leading research company, is pleased to present its latest AdSphere industry study. Five years of national cable industry trends (2016 - 2020) are provided with media expenditures across five brand classifications. In addition to monitoring 127 national cable networks, DRMetrix monitored ABC, NBC, CBS, and FOX in 2020.

Across the national cable and broadcast networks monitored, DRMetrix is reporting \$19.9 billion of national ad spend in 2020 from campaigns that ask consumers to take action, such as by visiting a website or going to an app store. This represents a 10 percent increase over the previous year, which is understandably below the normal rate of growth. There were 4,602 brands who provided a way for consumers to respond to their TV advertising. 35.8 percent used traditional direct-response (DR) techniques such as the use of DR variations. These can be described as the assignment of unique response variants that allow advertisers to track consumer response back to specific networks, dayparts, programs, and creatives. 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 better able to 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).

For high frequency campaigns, the use of DR variations is highly recommended. [Click here](#) to skip to the TV attribution section which includes a more detailed overview / study of this topic.

In the early fall of 2020, DRMetrix released a study regarding the impacts of Covid-19 on the DTC Television Advertising industry. The study showed that the top 50 DTC web/mobile advertisers using vanity call to action, instead of DR Variations, reduced their expenditures during the quarantine lock down period by **34%** while the top 50 advertisers using DR Variations increased their media expenditures by an incredible **76.6%**. If you'd like to learn why advertisers using DR Variations were at such an advantage, we invite you to reference our [Covid-19 Impacts on DTC Television Advertising](#) industry study.



It took over nine 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 direct-to-consumer brands utilizing over 77,000 unique creatives. AdSphere's database contains over 75 million airings including over 600,000 - 28.5 minute infomercial airings.

In recent years, one of the biggest drivers of direct-to-consumer advertising has been web and mobile-based companies that have discovered the power of television advertising. Many are discovering the measurability and power of DR techniques, which include the use of DR variations and utilization of longer formats ranging from 60 seconds to 28.5 minutes, to drive higher levels of consumer engagement and response.

Among the many advertisers who use DR variations are household names such as CarShield, ASPCA, Humana, Colonial Penn, St. Jude Children's Research Hospital, AAG, Norton360 with Lifelock, Nutrisystem, Rocket Mortgage by Quicken, and Shriners Hospitals for Children. DRMetrix's AdSphere research system tracks these and many other brands advertising across more than 190 industry categories such as beauty, fitness, home & garden, housewares & appliances, insurance, legal services and many more.

For its 2021 analysis, DRMetrix is using data from 127 national cable networks using state-of-the-art automated content recognition (ACR) and counted as 'direct-to-consumer' any ad that provides a phone number, web address, mobile SMS code or app store logo from Apple or Google.

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 (where DR variations are not utilized) represent the 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 direct response types of campaigns. DRMetrix has also collaborated with leading long form (infomercial) agencies and advertisers to a rate database for 28.5 minute program length advertisements. For more information regarding DRMetrix's spend methodology, please [click here](#).

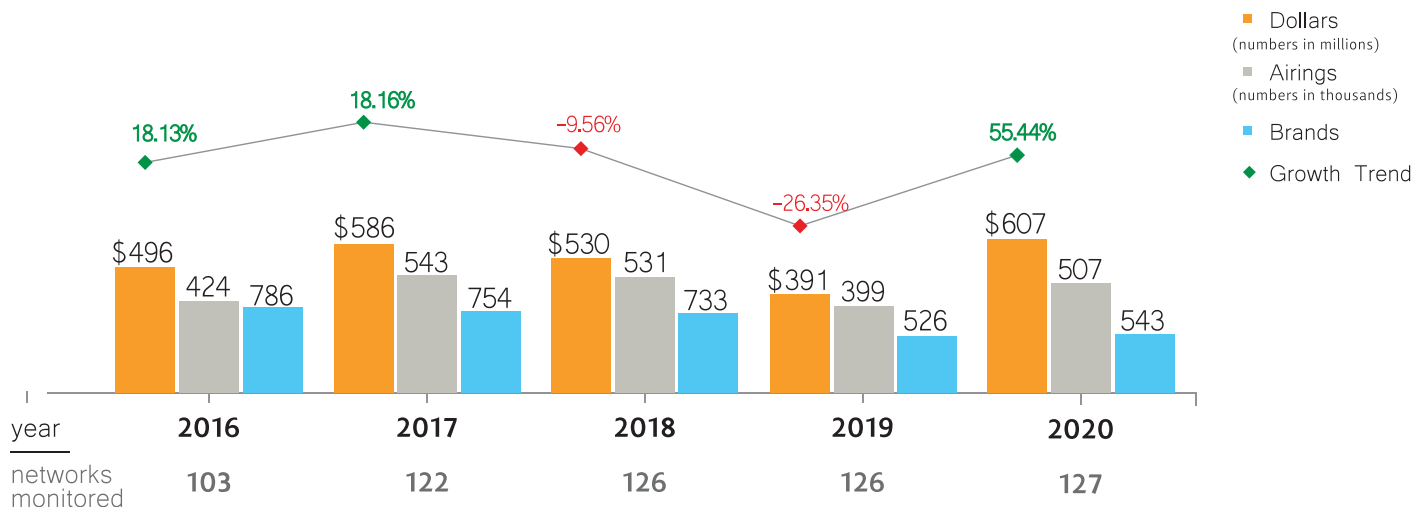


PROJECTED EXPENDITURES BY BRAND CLASSIFICATION Using Brand-Direct (\$)

SHORT FORM PRODUCTS INCREDIBLE 55% GROWTH OVER 2019

The brand classification “Short Form Products” includes campaigns that use DR variations to better measure their advertising ROI. Creatives in this category also disclose the full price of the main product being advertised. After an unprecedented decline of 26.35% in 2019, this category took full advantage of the 2020 Covid-19 climate of soft media and high television viewership posting a new record in billings!

NATIONAL CABLE MEDIA BILLINGS SHORT FORM PRODUCTS

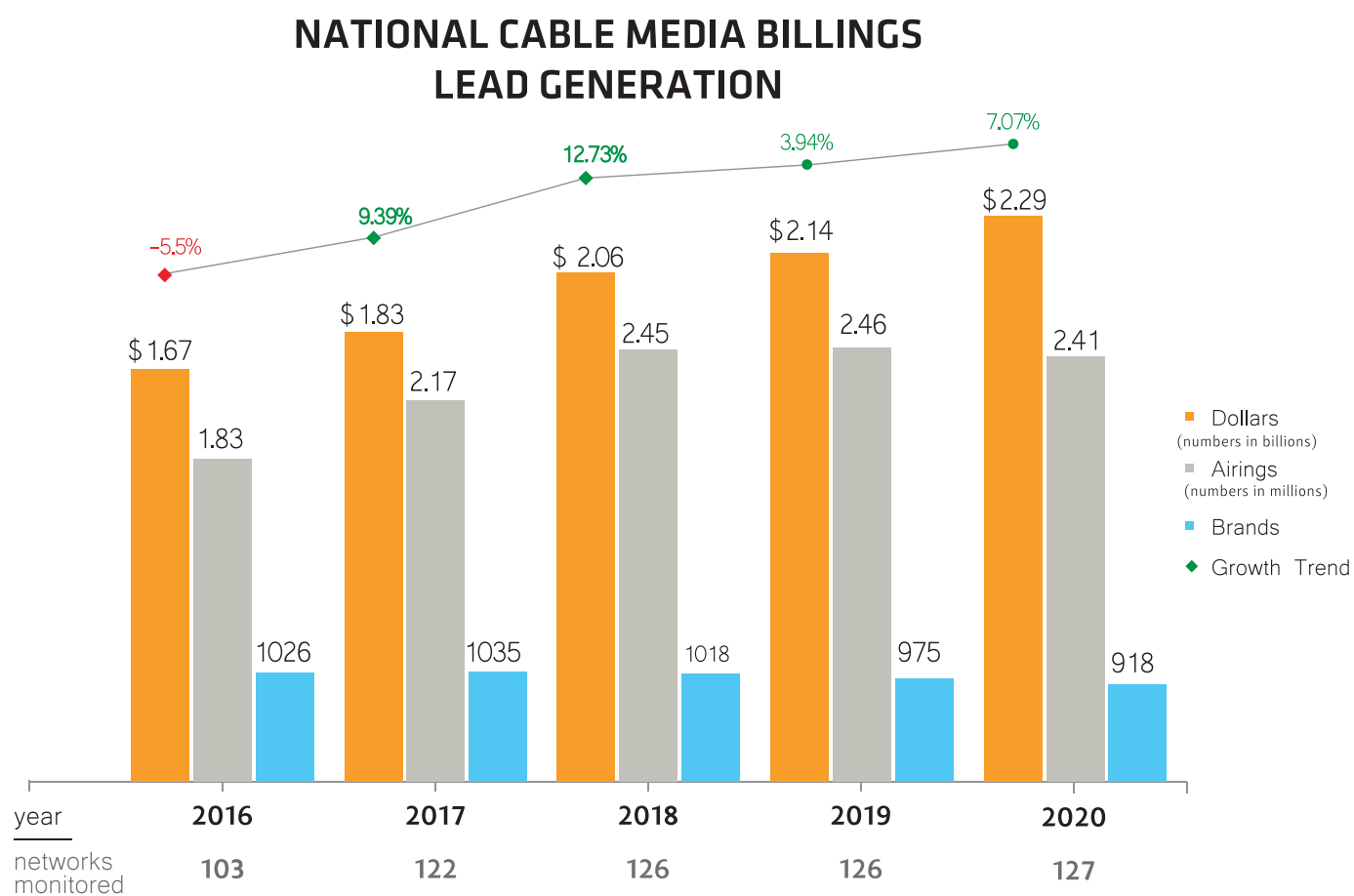


Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.



LEAD GENERATION EXPERIENCES 7% GROWTH OVER 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 free information campaigns. In terms of traditional DR classifications, Lead Generation is the largest with more than \$2 billion in projected media valuation for 2019 and 2020.



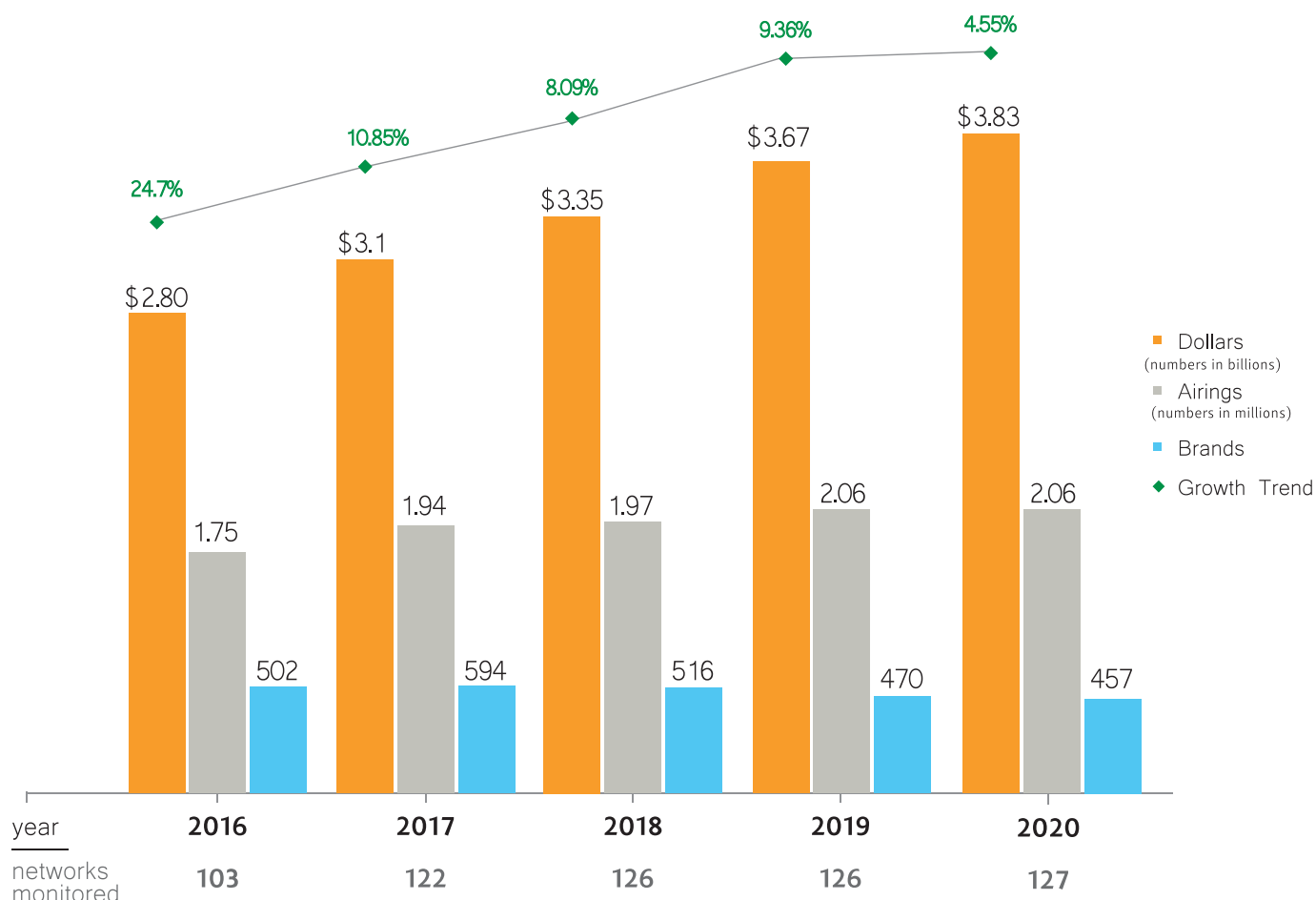
Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.



BRAND-DIRECT EXPERIENCES SLOWEST GROWTH ON RECORD

Brand-Direct campaigns do not use DR variations. They use a combination of vanity web addresses and/or phone numbers, SMS, or mobile app store response components. Many of these campaigns execute a combination of DR daypart buys and program specific brand buys. DRMetrix segments these campaigns into two camps: those advertising vanity phone numbers and those using non-phone methods of response such as web and/or mobile. These more branded advertisers pulled back during 2020 resulting in the slowest year-over-year growth on record. To learn more about why this category did so poorly in comparison to campaigns that use DR variations, be sure to download a copy of DRMetrix's study "[Covid-19 Impacts on DTC Television Advertising](#)".

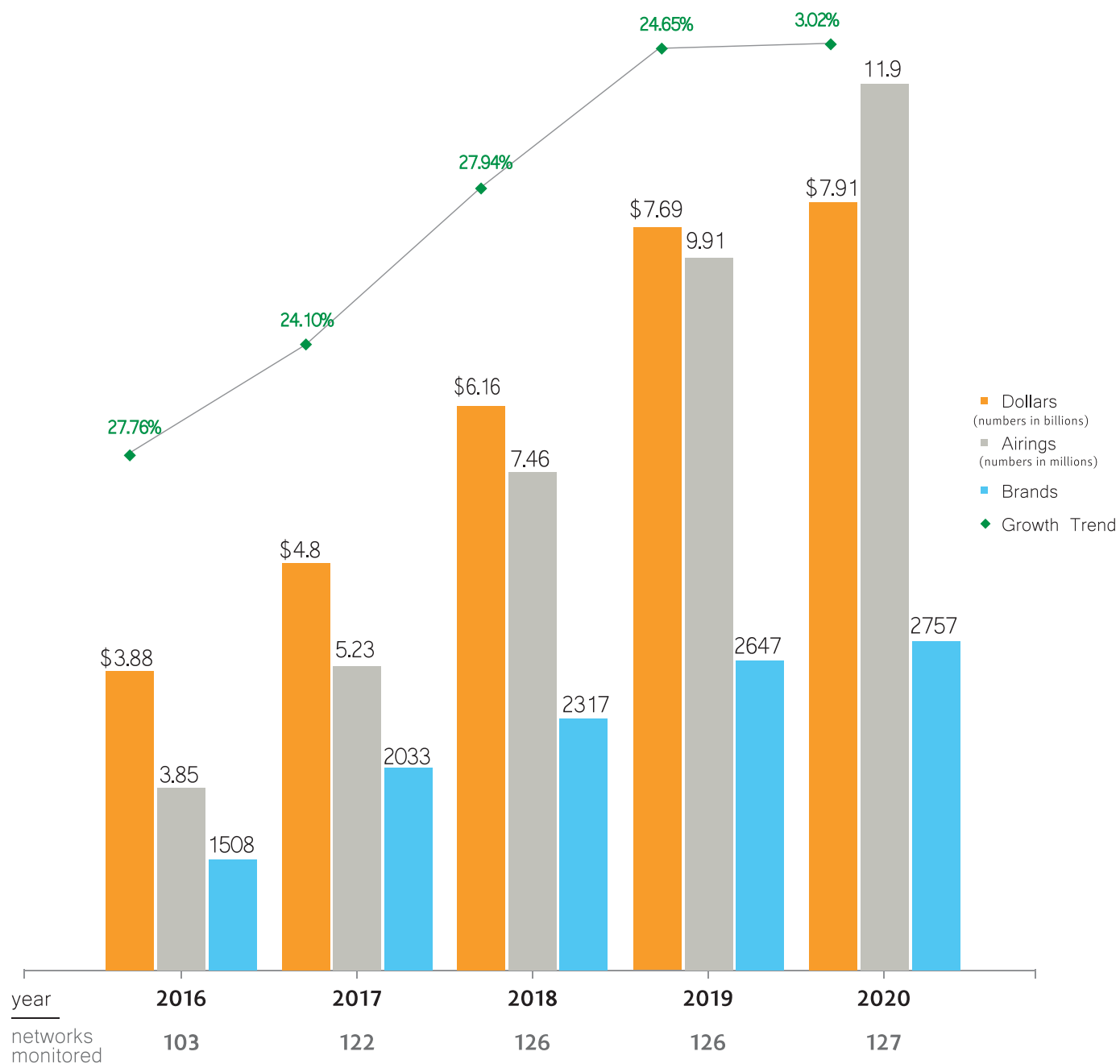
NATIONAL CABLE MEDIA BILLINGS BRAND-DIRECT (PHONE)



Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.



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



Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.

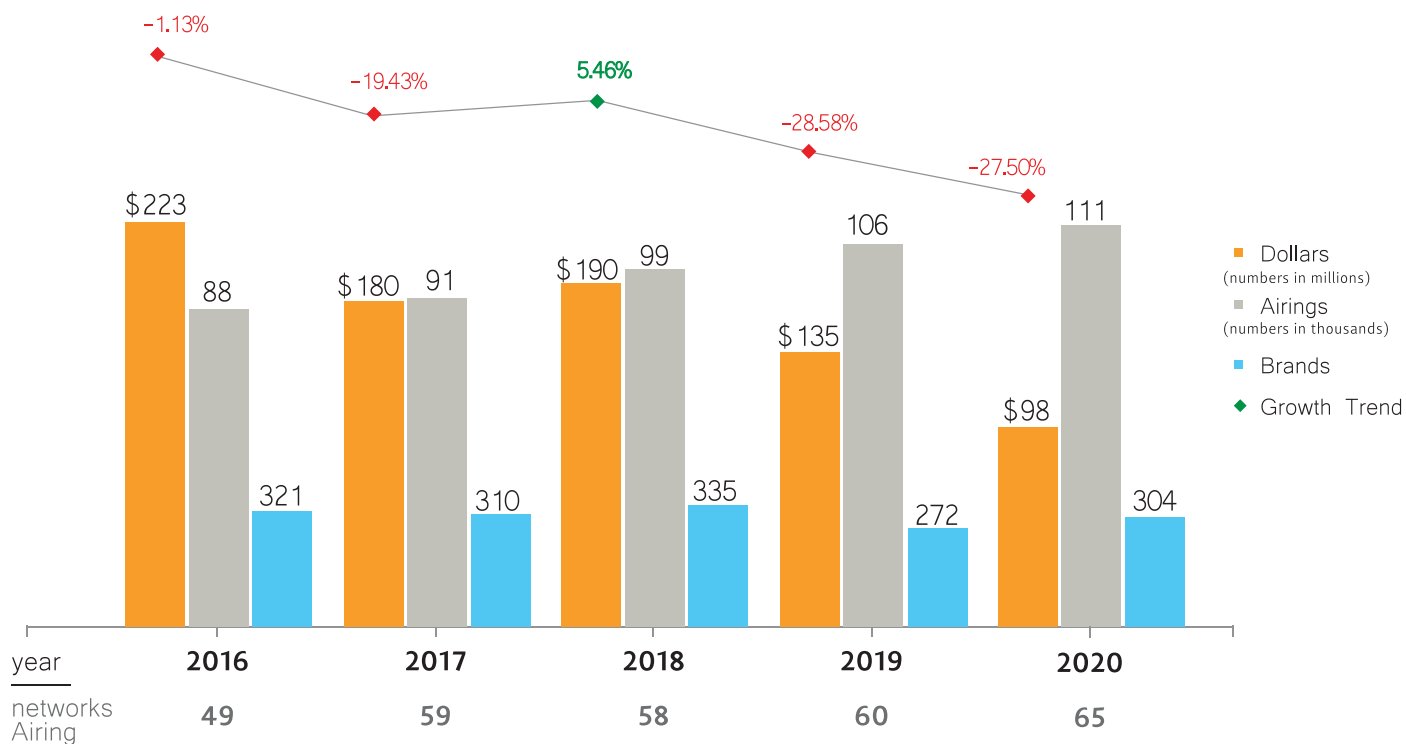
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LONG FORM (28.5m) UNITS INCREASE - RATES SOFTEN

Our last brand classification is Long Form, which consists of creatives using the 28.5-minute infomercial format. In 2020, 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. Infomercial prices continue to decline while airings have mostly increased with more than 111,000 infomercial airings for 2020.

NATIONAL CABLE MEDIA EXPENDITURES LONG FORM (28.5 m)



Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.

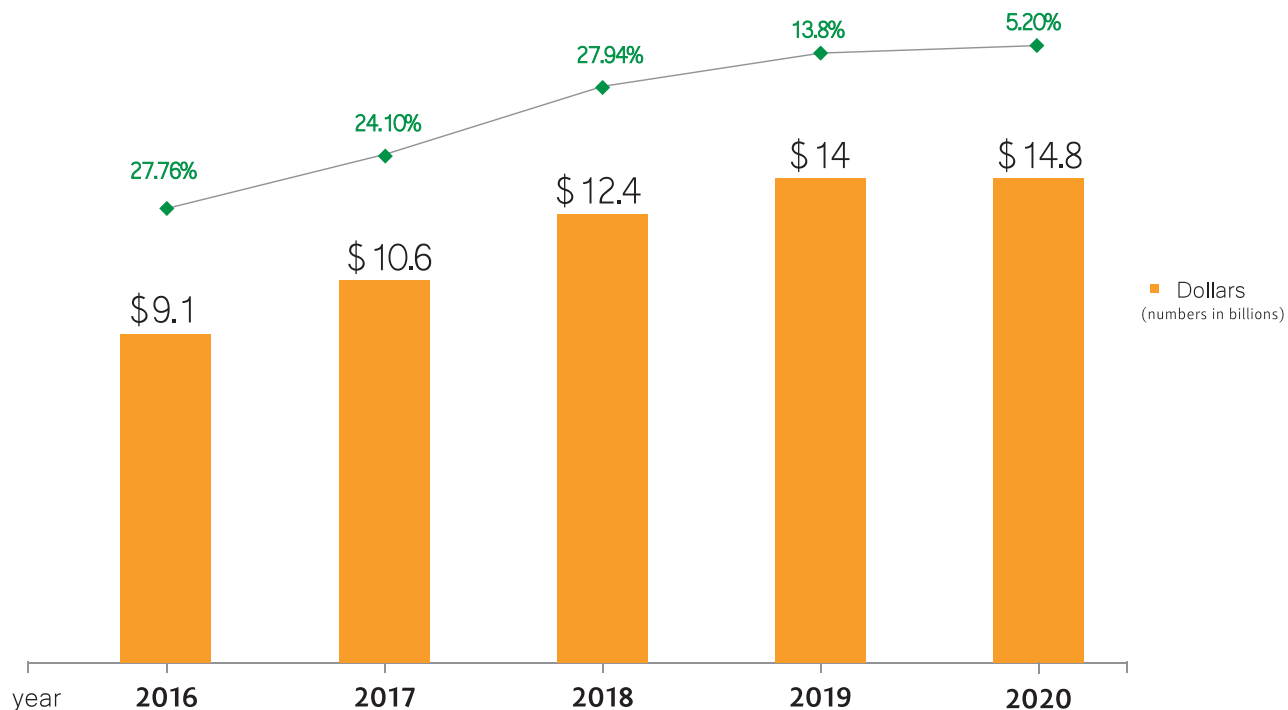


AGGREGATE MEDIA EXPENDITURES FOR ALL 5 BRAND CLASSIFICATIONS

DRMetrix is reporting slower year-over-year growth for 2020 at 5.20 percent which is one of the slowest growth years on record due to Covid-19. Estimated national cable media expenditures increased to \$14.8 billion in 2020.

Note: DRMetrix reports that direct-to-consumer expenditures on national broadcast (ABC, CBS, NBC, and FOX) were an additional 5.11 billion in 2020.

NATIONAL CABLE MEDIA BILLINGS OVERALL TOTAL

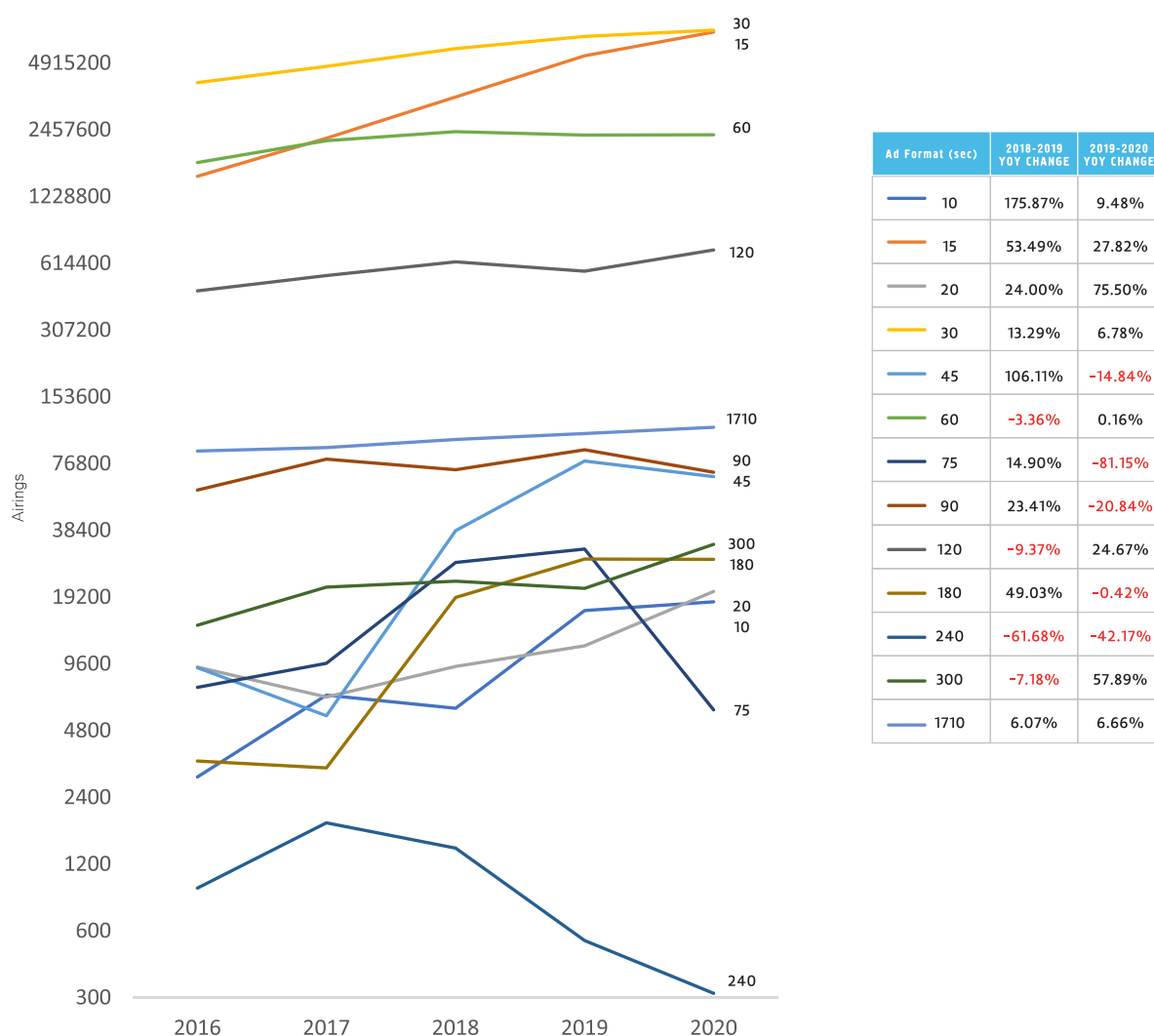


Note: Projected dollars are based on the average of what Brand/DR advertisers are paying for network ROS daypart inventory.



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

The following chart shows the ad unit growth for various creative formats from 2016-2020



There were a few formats that experienced rather significant growth and/or declines in 2020.

The use of 15s ad units is up 27.82% as they continue to be popular with more branded advertisers who also embraced the 20s format growing YOY units by an impressive 75.5%.

A pull back in media buying by the DTC pharmaceutical industry caused a 14.84% decline in 45s units along with a 81.15% decline in 75s units.

The popularity of 240s units continues to decline while the 300s format grew by an impressive 57.89%!



PROJECTED EXPENDITURES BY MASTER CATEGORY (2016 - 2020)

Over the next few pages, we're proud to present 2016 - 2020 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	2016	2017	2018	2019	2020
Beauty, Hygiene & Personal Care	154,117,028	180,970,952	223,573,174	155,316,654	168,938,197
Communications	53,797	0	6,197	1,038,437	1,946,388
Drug & Toiletry	0	56,369	257,633	30,021	463,361
Education	87,303	0	33,282	0	0
Electronic & Software	9,746,077	20,562,498	21,068,241	13,156,247	16,782,303
Entertainment Venues	0	0	0	0	0
Financial	7,112	0	28,737	0	789,089
Health & Fitness	107,842,729	107,852,588	83,252,209	95,133,618	206,329,194
Home & Garden	45,486,016	43,053,385	38,690,893	28,274,964	57,246,482
Housewares & Appliances	62,376,776	101,941,355	78,364,414	56,667,318	99,179,866
Infotainment	0	0	0	0	0
Insurance	0	0	0	0	0
Legal Services	0	0	0	0	0
Manufacturers's Coupon Offers	0	0	0	0	0
Miscellaneous	114,882,457	129,913,906	81,268,229	39,380,637	88,430,826
Music and Video	1,690,916	2,181,084	3,928,239	1,733,914	1,871,566
Online Services & Shopping	0	0	18,153	0	29,909
Public Service	148,330	40,259	0	0	3,335,135
Retail, Restaurant & Food Venues	0	0	0	0	0
Transportation (Sales and Repair)	0	0	0	0	61,628
Travel, Vacation and Hotel	0	0	0	0	0
	496,438,541	586,572,395	530,489,403	390,731,811	645,403,944



INDUSTRY CATEGORY - LEAD GENERATION					
MASTER CATEGORIES	2016	2017	2018	2019	2020
Beauty, Hygiene & Personal Care	43,858,175	45,017,400	79,346,883	63,006,797	47,210,482
Communications	32,997,706	25,768,364	19,805,931	7,901,969	18,195,594
Drug & Toiletry	29,682,239	12,384,773	12,747,777	22,645,846	13,654,687
Education	56,332,815	36,258,620	66,487,714	45,585,181	21,069,300
Electronic & Software	16,618,679	29,600,268	48,790,186	44,461,814	28,796,760
Entertainment Venues	284,569	1,066,425	3,052,737	4,683,066	4,495,072
Financial	201,737,894	193,002,990	183,487,313	215,594,224	283,717,343
Health & Fitness	500,086,286	643,755,130	723,364,352	591,529,142	537,861,218
Home & Garden	83,605,256	92,435,308	97,700,051	102,538,188	106,269,496
Housewares & Appliances	6,677,066	5,123,712	11,906,906	48,552,956	37,458,274
Infotainment	0	0	0	0	0
Insurance	346,438,408	292,169,539	380,511,396	546,493,882	869,420,881
Legal Services	82,916,459	89,677,363	86,130,208	149,111,243	131,697,963
Manufacturers's Coupon Offers	631	0	0	0	0
Miscellaneous	73,352,450	117,139,903	125,599,909	95,043,894	87,544,892
Music and Video	0	14,243	5,596	11,046	0
Online Services & Shopping	36,897,672	55,564,241	25,462,072	40,470,320	66,932,494
Public Service	139,710,641	170,166,072	160,646,552	132,949,329	218,567,509
Retail, Restaurant & Food Venues	0	0	0	5,285,932	0
Transportation (Sales and Repair)	1,336,900	748,870	9,121,678	10,224,043	5,096,206
Travel, Vacation and Hotel	18,963,810	18,543,124	26,948,174	16,268,463	7,074,940
	1,671,497,656	1,828,436,347	2,061,115,434	2,142,357,336	2,485,063,111

INDUSTRY CATEGORY - BRAND/DR (PHONE)					
MASTER CATEGORIES	2016	2017	2018	2019	2020
Beauty, Hygiene & Personal Care	10,171,423	4,372,059	24,462,201	2,989,230	15,079,832
Communications	203,080,840	144,908,999	153,859,866	82,066,840	61,910,182
Drug & Toiletry	1,086,414,829	1,496,384,516	1,838,960,127	2,230,303,461	3,847,652,235
Education	63,911,620	120,319,348	54,305,876	12,677,384	22,453,876
Electronic & Software	9,014,188	8,808,983	15,791,739	32,773,380	113,229,439
Entertainment Venues	362,406	765,336	343,939	415,053	764,527
Financial	85,021,554	84,467,824	60,487,016	45,601,331	44,146,097
Health & Fitness	73,421,682	137,407,581	144,976,179	138,914,999	174,636,905
Home & Garden	123,261,731	124,137,811	109,722,087	77,031,778	122,435,801
Housewares & Appliances	18,437,281	27,671,828	11,892,652	2,359,504	21,793,737
Infotainment	0	0	0	0	0
Insurance	822,161,868	707,260,156	718,187,445	801,950,272	1,126,117,770
Legal Services	3,997,857	14,353,958	1,900,131	1,211,550	3,228,545
Manufacturers's Coupon Offers	0	0	0	0	0
Miscellaneous	72,341,328	36,283,565	41,773,316	48,588,166	47,438,666
Music and Video	0	4,628	142,487	0	534,151
Online Services & Shopping	37,833,399	20,599,379	15,268,242	14,282,316	8,515,297
Public Service	64,678,898	49,439,678	38,883,955	36,424,956	67,744,652
Retail, Restaurant & Food Venues	5,390,955	7,084,473	8,554,090	136,355	8,655,937
Transportation (Sales and Repair)	39,987,849	42,274,397	42,163,088	56,582,342	23,969,640
Travel, Vacation and Hotel	79,981,760	76,716,615	72,535,476	83,822,628	63,595,055
	3,883,248,497	3,103,261,134	3,354,209,912	3,668,131,547	5,773,902,344



INDUSTRY CATEGORY - BRAND/DR (WEB/MOBILE)					
MASTER CATEGORIES	2016	2017	2018	2019	2020
Beauty, Hygiene & Personal Care	142,560,567	127,145,265	24,462,201	171,256,012	268,294,994
Communications	62,776,416	135,993,370	153,859,866	263,115,310	604,346,376
Drug & Toiletry	53,266,299	68,722,263	1,838,960,127	240,536,698	447,024,483
Education	157,642,884	165,116,475	54,305,876	205,584,153	297,158,171
Electronic & Software	317,779,920	406,213,756	15,791,739	440,969,432	1,056,633,787
Entertainment Venues	7,994,040	22,626,431	343,939	27,118,763	15,802,336
Financial	363,771,369	309,030,873	60,487,016	553,535,231	828,897,952
Health & Fitness	230,749,099	309,428,964	144,976,179	726,956,792	881,163,439
Home & Garden	264,212,702	390,511,286	109,722,087	599,943,564	608,961,739
Housewares & Appliances	86,059,727	210,595,231	11,892,652	298,731,989	320,771,786
Infotainment	0	0	0	0	0
Insurance	242,929,785	292,832,925	718,187,445	477,223,146	1,029,295,160
Legal Services	19,295,524	8,721,434	1,900,131	5,365,927	14,374,620
Manufacturers's Coupon Offers	6,853,075	5,159,444	0	0	11,723
Miscellaneous	980,613,615	1,178,691,634	41,773,316	1,488,996,416	1,670,197,737
Music and Video	4,796,704	19,438,083	142,487	7,924,122	63,090,761
Online Services & Shopping	187,027,021	236,721,349	15,268,242	328,323,299	876,725,669
Public Service	140,184,490	184,125,230	38,883,955	303,696,758	667,484,532
Retail, Restaurant & Food Venues	214,300,238	157,500,425	8,554,090	619,573,864	1,672,286,294
Transportation (Sales and Repair)	70,782,795	92,561,055	42,163,088	275,692,164	359,065,526
Travel, Vacation and Hotel	329,652,226	480,657,350	72,535,476	648,075,329	255,966,399
	3,883,248,497	4,801,792,843	6,160,971,294	7,682,618,966	11,937,553,484

INDUSTRY CATEGORY - LONG FORM (28.5 m)					
MASTER CATEGORIES	2016	2017	2018	2019	2020
Beauty, Hygiene & Personal Care	50,753,295	47,247,530	41,041,550	27,907,992	20,493,739
Communications	169,054	2,238	0	1,221	444,294
Drug & Toiletry	3,780	82,385	0	0	0
Education	439,183	212,860	2,598,085	1,810,955	244,171
Electronic & Software	905,489	3,738,511	1,584,844	1,136,194	559,349
Entertainment Venues	0	0	0	0	0
Financial	581,261	961,874	9,142,549	3,231,653	2,922,612
Health & Fitness	61,157,162	38,290,533	46,214,069	33,432,728	24,955,166
Home & Garden	7,013,966	6,146,340	7,439,391	6,572,055	5,004,337
Housewares & Appliances	56,848,967	45,451,470	41,745,252	28,288,099	21,481,364
Infotainment	0	0	126,479	2,856	4,952
Insurance	8,276,005	5,704,729	4,918,677	5,705,643	6,606,043
Legal Services	0	0	57,261	851,184	1,674,284
Manufacturers's Coupon Offers	0	0	0	0	0
Miscellaneous	18,154,314	14,459,855	16,277,150	13,374,117	10,409,470
Music and Video	7,002,507	5,985,509	5,051,295	3,078,888	3,243,358
Online Services & Shopping	11,332,274	10,851,582	11,991,016	8,817,794	2,370,706
Public Service	529,811	470,138	1,425,691	1,192,099	935,510
Retail, Restaurant & Food Venues	0	0	0	0	0
Transportation (Sales and Repair)	0	0	0	0	0
Travel, Vacation and Hotel	0	191,750	0	0	0
	225,724,135	223,167,066	189,613,310	179,797,304	101,349,355



2020 TOP 10 BRANDS BY BRAND CLASSIFICATION

Short Form Products

Copper Fit Energy + Comp. Socks	\$19,391,150
Luminess Skincare P Cosmetics	\$18,299,225
Copper Fit Compression Gloves	\$17,581,076
Finishing Touch Flawless Nu Razor	\$16,480,290
MicroTouch Solo	\$15,133,231
Shine Armor	\$12,665,305
Finishing Touch Flawless	\$11,729,098
Flexible Mirror	\$11,610,391
Mighty Sight	\$11,380,570
Relief Factor	\$11,372,786

Brand/DR (Phone)

Progressive	\$434,595,578
Humira	\$370,962,033
Liberty Mutual	\$349,309,807
Dupixent	\$219,394,232
Skyrizi	\$142,736,141
Rinvoq	\$140,386,984
Trulicity	\$137,129,445
Ozempic	\$119,093,047
Jardiance	\$111,608,692
Eliquis	\$106,993,879

Long Form

Luminess Skincare P. Cosmetics	\$4,270,128
Total Gym	\$4,234,099
Meaningful Beauty Supreme System	\$3,339,428
Westmore Beauty Body C. Perf.	\$3,241,387
Humana - Medicare	\$2,865,313
Crepe Erase Advanced	\$2,830,935
Nuwave Bravo XL Air Fr. Smart Oven	\$2,754,065
CarShield	\$2,682,461
Plexaderm	\$2,568,004
Nuwave OxyPure Air Filter	\$2,438,806

Lead Generation

1 CarShield	\$106,101,766
2 ASPCA	\$78,308,072
3 Medicare Benefits & Quest. Line	\$77,513,041
4 Medicare Coverage Helpline	\$63,644,865
5 Humana - Medicare	\$63,337,703
6 Colonial Penn	\$59,218,392
7 GoMedicare	\$58,082,601
8 St. Jude Children's Res. Hosp.	\$47,704,243
9 AAG - American Advisors Group	\$44,891,584
10 My Pillow	\$39,875,296

Brand/DR (Web / Mobile)

1 Geico	\$579,714,045
2 Amazon	\$154,463,500
3 Allstate	\$139,085,971
4 Carvana.com	\$128,577,953
5 Domino's	\$112,227,306
6 Macy's	\$111,797,341
7 Chewy.com	\$96,557,521
8 Kohl's	\$90,401,987
9 Taco Bell	\$90,370,830
10 Walmart	\$87,875,486

Note: Projected expenditures are based on the average of what Brand/DR advertisers are paying for network daypart inventory



TV ATTRIBUTION

In offline linear television, many advertisers use traditional ratings as a guide to purchase television time. For many decades, a different approach has been used by DR advertisers who engage consumers to respond to their commercials and track responses back to specific networks and dayparts.

DR agencies have long studied the correlation between the consumer response, ratings data, and resulting advertising ROI. It has been proven that ratings data does not correlate and can not be used to reliably optimize a DR campaign. Further, DR agencies have discovered that the current generation of television attribution solutions are highly inaccurate when it comes to properly attributing consumer response to specific linear television networks.

These are some of the reasons why many consumer-response brands continue to use DR variations as an important part of their attribution and media optimization strategy. This time proven practice has been around for decades. As an example, it has become common 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, web, or SMS variants, the goal is always the same - to attribute responses so that media schedules can be optimized. Some of the reasons why DR advertisers prefer to use DR variations have to do with difficult problems that only DR variations can solve for.

THE PROXIMITY OF AIRING ISSUE

If you have multiple national networks running commercial spots near one another, the attribution challenge becomes problematic. The problem is further compounded by time-shifted viewing made possible by digital-video-recorders (DVR). Estimates suggest that as many as 20-40% of consumers are watching popular TV shows up to 35 days beyond live.

Depending on the frequency of the problem, and the number of networks involved, the use of DR variations can be a viable solution to these difficult problems.

The chart on the next page provides insight into the proximity of airing issue, using data from 30 of the more prominent direct-to-consumer 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 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 time frame. DRMetrix also studied how many networks on average were involved when conflicts were discovered.

In the case of Geico, we analyzed 285,761 airings that AdSphere captured for 2020. Approximately 265,924 had conflicts within a 5-minute delta which is 93%. The average number of network conflicts was 17.51. Assuming Geico is doing TV attribution, this would leave less than 7% of their airings unconflicted from which to build a model to accurately attribute the other 93%.

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)
Geico	285761	265924	93.06%	17.51	136114	47.63%	3.04
GoodRX.com	255946	234655	91.68%	17.48	132922	51.93%	3.39
Domino's	65571	58959	89.92%	14.84	32054	48.88%	3.3
Kohl's	73781	60149	81.52%	7.53	25496	34.56%	2.69
Little Caesars Pizza	74131	58877	79.42%	6.56	22477	30.32%	2.5
Chewy.com	128561	98680	76.76%	5.78	35981	27.99%	2.45
Chime	145178	110674	76.23%	5.51	39814	27.42%	2.43
Mirror	124991	95108	76.09%	6.09	37146	29.72%	2.54
Carvana.com	113470	84855	74.78%	5.83	31731	27.96%	2.48
Southern New H	88183	64381	73.01%	5.73	24756	28.07%	2.54
Smile Direct Club	104871	75350	71.85%	4.85	25454	24.27%	2.37
Stamps.com	92121	65040	70.60%	5.35	24105	26.17%	2.49
GoDaddy	125380	88147	70.30%	4.42	28083	22.40%	2.29
Experian Boost	94751	63840	67.38%	4.34	20691	21.84%	2.32
#AloneTogether	64201	43112	67.15%	4.6	14042	21.87%	2.34
Warby Parker	103423	68965	66.68%	4.31	22569	21.82%	2.26
The Zebra	99877	66401	66.48%	4.22	21398	21.42%	2.32
thredUP	71359	45848	64.25%	4.07	14761	20.69%	2.27
4 imprint	73374	46845	63.84%	4.27	15826	21.57%	2.37
GrubHub.com	69552	43420	62.43%	4.43	14370	20.66%	2.34
Deal Dash	79305	47276	59.61%	3.76	14562	18.36%	2.28
Poshmark	68992	40844	59.20%	4.12	13833	20.05%	2.39
hims	61034	35602	58.33%	3.97	11681	19.14%	2.31
Home Light	68067	39658	58.26%	3.72	12127	17.82%	2.28
Fanatics	79111	44172	55.84%	3.31	12624	15.96%	2.19
Touch Of Modern	76926	42528	55.28%	3.36	12235	15.90%	2.2
Noom	63084	34725	55.05%	3.62	10568	16.75%	2.17
University of Phoenix	62357	33648	53.96%	3.48	9846	15.79%	2.25
Keeps	72987	37854	51.86%	3.1	10046	13.76%	2.16
DriveTime	61403	30743	50.07%	3.12	8381	13.65%	2.18



Traditional DR advertisers buy fixed network dayparts at a discount where there is little control over when spots run or which programs they air in. This is an acceptable tradeoff which allows the direct-to-consumer 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-to-consumer advertisers use DR variations to dramatically improve the accuracy of their attribution and it has become an important part of their overall attribution model which includes digital attribution, multi-touch, and other methodologies.

The challenges advertisers face today with linear 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 creatives using DR variations on the next pages.

If your company is not currently using DR variations in your television advertising, please email DRMetrix at info@drmetrix.com for a free proximity of airing report for your brand/s.



EXAMPLES OF DR VARIATIONS IN USE

Proflowers.com (30 sec)

Readers.com (60 sec)

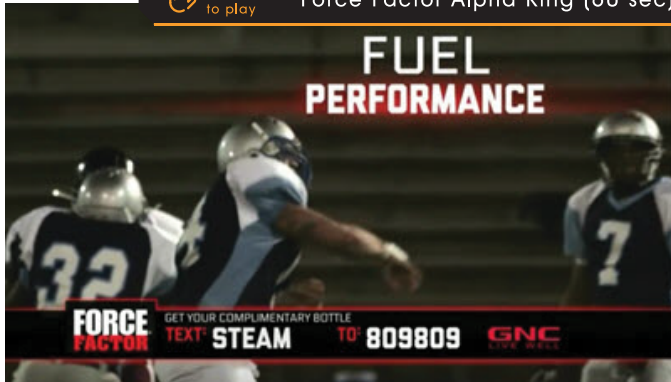
Caption: Graze.com (30 sec)

DraftKings (60 sec)

 Click on images to play spots.



Force Factor Alpha King (60 sec)



Click on images to play spots.



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.



Slimfast (30 sec)

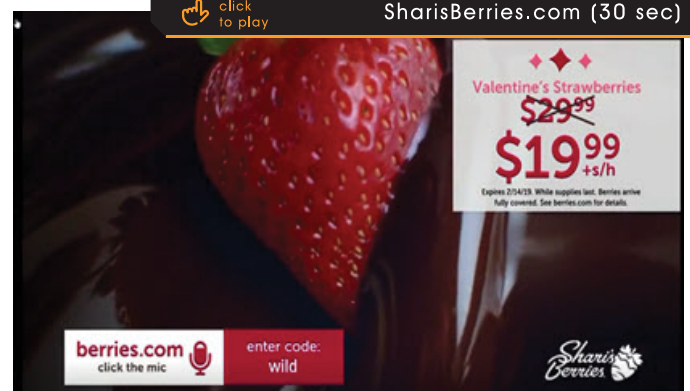
TEXT "ENERGIZE" TO 44222
FOR AN EXCLUSIVE OFFER



Message and data rates may apply



SharisBerries.com (30 sec)





FINAL THOUGHTS

In 2020, over 4,600 brands provided a way for consumers to respond to their TV ads. 35.8% of these brands used DR variations to make their television advertising more accountable.

As more web and mobile companies continue to migrate to television, they are often frustrated by the lack of measurement and accountability. The DR industry stands ready to help through education.

Since DR advertisers have the most accurate understanding of their television ROI, DRMetrix has worked over the past nine years to create AdSphere, the first television research system of its kind, which makes it easy for the broader direct-to-consumer industry to study these types of campaigns. Instead of relying on inadequate approaches that produce poor results, consider the value of leveraging competitive DR advertising research. DR agencies and advertisers are better positioned to optimize campaigns and allocate spend where they are measuring acceptable ROI. DR agencies optimize campaigns down to the network, daypart, program, and creative levels. Network dayparts and creatives that under-perform are discontinued while profitable media is continued. Accordingly, the actionable insights gained from competitive DR media research will lead many direct-to-consumer advertisers to make immediate changes to their media and/or creative strategy. The positive impact of these changes can be measured by direct-to-consumer advertisers.

Whether an advertiser uses DR variations or not, many can immediately benefit from AdSphere research data to dramatically improve their key-performance-indicators (KPIs). See www.drmetrix.com/knowROI for more information.

Beyond more effective attribution, DR advertisers are vastly more successful in creating commercial campaigns that perform and generate ROI. Accurate measurement from the use of DR variations breeds success.

Industry legend, David Ogilvy, the man who many consider the father of modern advertising, said as much in a famous speech from the 1960's entitled, "We sell or else". Ogilvy lauded the value of DR advertising and predicted the worlds of DR and general advertising were on a collision course.



He recognized that longer ad formats were more effective than shorter formats and that DR advertisers were unique in their ability to determine which aspects of their television buys were actually working.

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

To learn more about the DR 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 and discover the significant advantages of using time proven DR techniques including, but not limited to, the use of DR variations and/or embracing competitive DR media research.

We look forward to continuing to help the direct-to-consumer industry through research and education.

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

