



Media & Entertainment:

Observations of the Effect of Covid-19 & Economic Uncertainty

Mike Lorenc: Head of Industry - Ticketing & Live Events, Google @mlorenc

The coronavirus outbreak is first and foremost a human tragedy.

It is also having a growing impact on the global economy.

There is no playbook for times like these or the ability to predict the future.

- McKinsey & Company,
March 26



the
future
will be
confusing



We stand in support of racial equality,
and all those who search for it

#TheShowMustBePaused

#BwayforBLM



The presence of the confederate flag at NASCAR events runs contrary to our commitment to providing a welcoming and inclusive environment for all fans, our competitors and our industry. Bringing people together around a love for racing and the community that it creates is what makes our fans and sport special. The display of the confederate flag will be prohibited from all NASCAR events and properties.

Some **new interesting**
stats



People are concerned about COVID-19 changing their lives and are taking proper precautions



54%

Have stocked up on food or household supplies in the past 2 weeks



74%

Snack Food



70%

Frozen Food



64%

Paper Products



57%

Cleaning Products



52%

Beverages



49%

Personal Care



35%

Alcohol



25%

Clothing / Accessories

ATTITUDES ON COVID-19

81% agree “I **worry about the economy** as a result of the COVID-19 outbreak”

70% have **maintained distance** from others

70% have **avoided crowded areas**

68% agree “I **worry about getting COVID-19** or passing it to someone at risk”

62% agree “I feel **informed and prepared by the media** coverage of the COVID-19 outbreak”

IN IT FOR THE LONG HAUL

58% of surveyed people think COVID-19 will last for **at least 4-6 months** in both Canada and the U.S.

SOME SUSPECT IT WILL BE 6 MONTHS OR MORE:



28% of surveyed Americans



27% of surveyed Canadians

\$ % Growth - U.S. Produce Sold Across the Store

FRUIT



+24%

+17%

+5%

FROZEN

SHELF-STABLE

FRESH

VEGETABLES



+19%

+32%

+10%

FROZEN

SHELF-STABLE

FRESH

Top 10 fastest growing e-commerce product categories

March 2020 vs March 2019

DISPOSABLE GLOVES

▲ 670%



BREAD MACHINES

▲ 652%



Amazon's best-selling model, the Cuisinart CBK 110 is now completely sold out.

COUGH MEDICINE

▲ 535%



SOUPS

▲ 397%



RICE & DRIED GRAINS

▲ 386%



PACKAGED FOODS

▲ 377%



FRUIT CUPS

▲ 326%



WEIGHTS

▲ 307%



MILK & CREAM

▲ 279%



DISH WASHING SUPPLIES

▲ 275%



Grocery delivery platform Instacart has seen a 150% increase in recent weeks, as well as a 15% increase in basket size.

Other fast-growing categories

The World Health Organization initially announced that anti-inflammatory drugs could make COVID-19 worse, before later changing its stance claiming there is insufficient evidence to back this up.



Walmart, Amazon and Target announced they are close to selling out, due to people panic buying.

TOILET PAPER

▲ 190%



FITNESS GOODS

▲ 170%



VITAMINS

▲ 166%



DOG FOOD

▲ 159%



PAIN RELIEVERS

▲ 99%



▼ 77%

LUGGAGE



▼ 77%

BRIEFCASES



▼ 64%

CAMERAS



▼ 64%

MEN'S SWIMWEAR



▼ 63%

BRIDAL WEAR



▼ 62%

MEN'S FORMAL WEAR



▼ 59%

WOMEN'S SWIMWEAR



▼ 59%

RASH GUARDS



▼ 59%

BOY'S ATHLETIC SHOES



▼ 57%

GYM BAGS



Apparel sales were already slumping even before travel and event plans were canceled by the COVID-19 outbreak. January was the worst month in apparel sales since the Financial Crisis in 2009.



▼ 55%

PARTY & EVENT SUPPLIES



▼ 50%

STORE FIXTURES & DISPLAYS



▼ 50%

DRONES



▼ 33%

GOLF CLUBS



▼ 30%

COOLERS



As small businesses around North America remain shuttered, sale of items like signage and supplies have seen a steep drop in sales.

Other fast-declining categories

Top 10 fastest declining e-commerce product categories

Source: Stackline, Amazon, Business Insider, Euro news, CNBC

As consumers have worked through existing favorites, they are expanding to watching new content



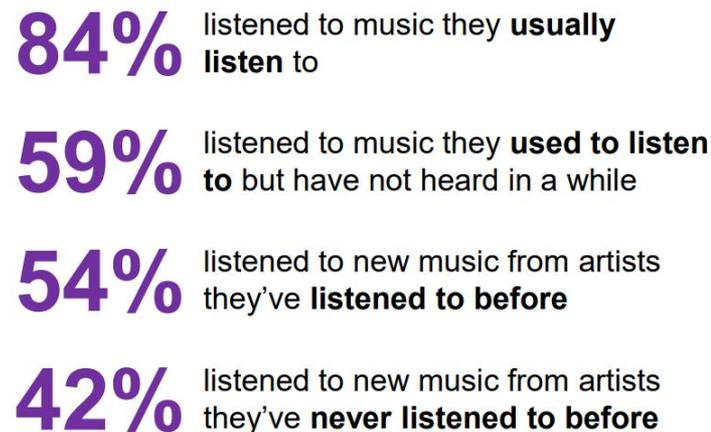
TYPES OF CONTENT CONSUMED



Television Consumers



Music Consumers

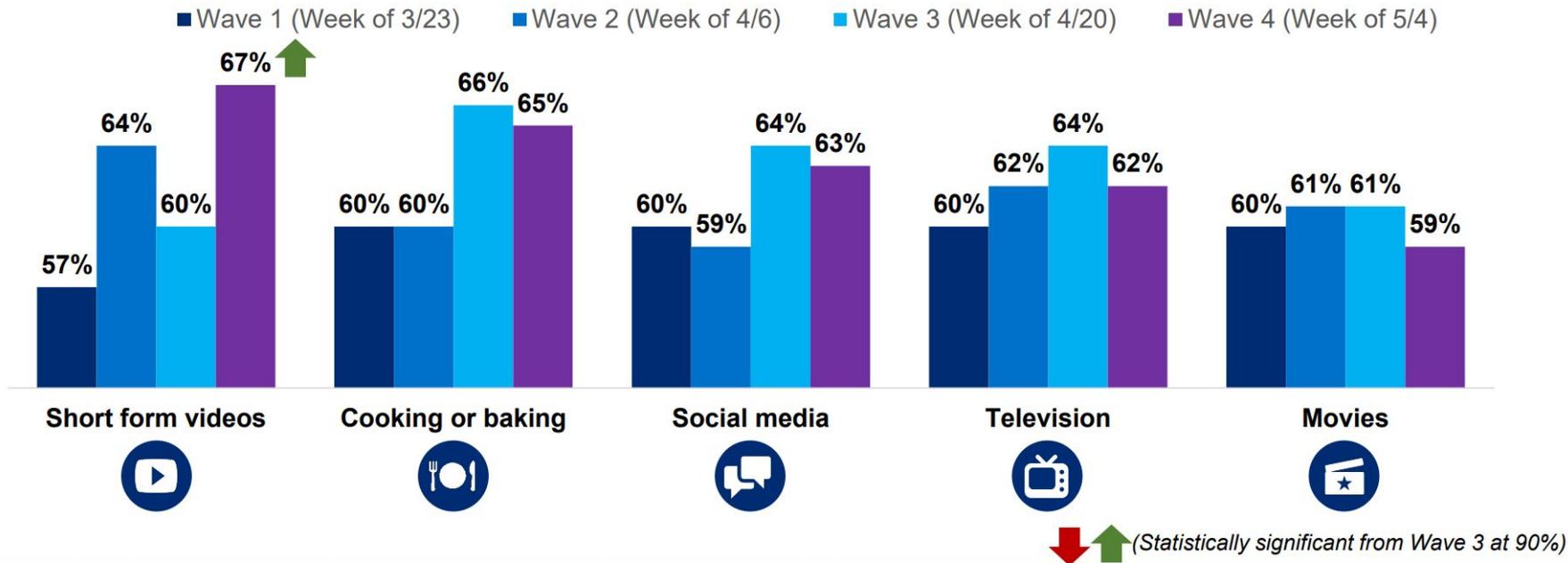


(Statistically significant from Wave 3 at 90%)

People are increasingly looking for immersive experiences such as short form videos

MORE TIME SPENT WITH – TOP 5 ACTIVITIES

Among those engaging with specific activities



We are more “online” than ever before

MINUTES SPENT ONLINE | MARCH

2T

More than
any other month in history

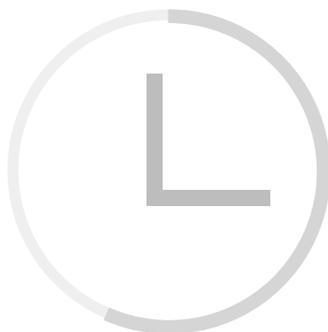
+19%

YOY

+15%

February

DAILY TIME SPENT WITH MEDIA | 2020 PREDICTED



13.6

hours per day

An increase of **more than an hour** since last year -- significantly more than increases in the past several years

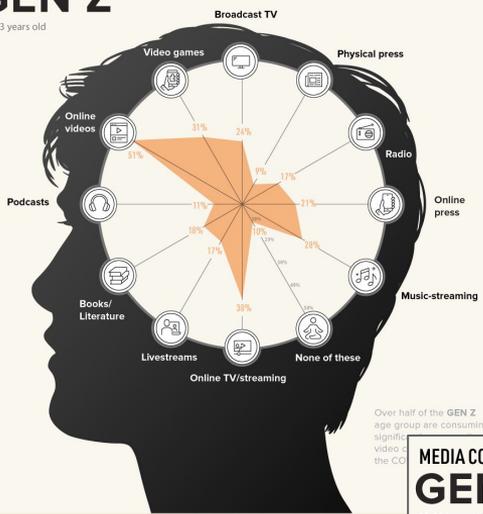
Levels are expected to stay *permanently elevated* compared to 2019, though some attrition is likely

MEDIA CONSUMPTION
% WHO SAY THEY HAVE STARTED CONSUMING OR ARE CONSUMING MORE OF THE FOLLOWING SINCE THE OUTBREAK

GEN Z

16-23 years old

● Gen Z

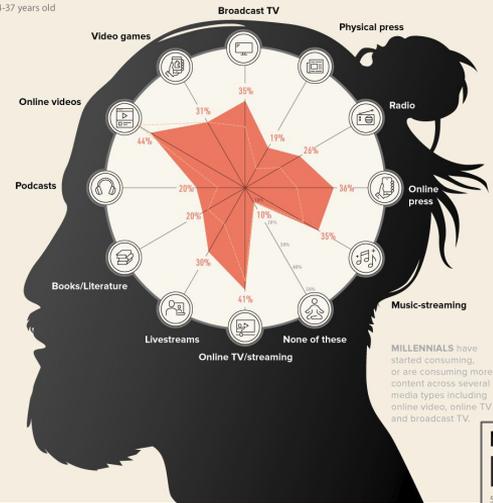


MEDIA CONSUMPTION

MILLENNIALS

24-37 years old

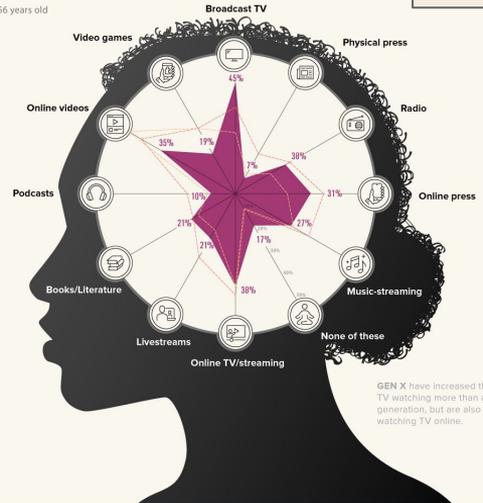
● Gen Z ● Millennials



MEDIA CONSUMPTION GEN X

38-56 years old

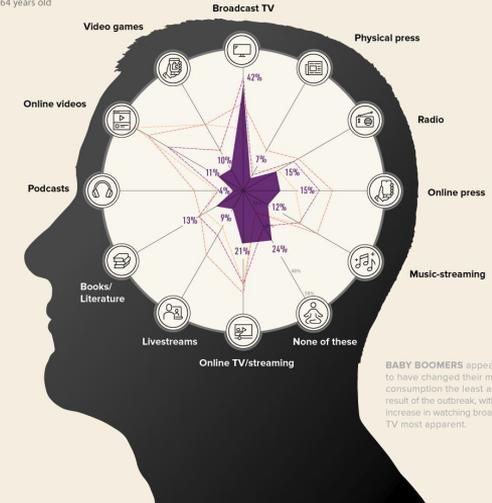
● Gen Z ● Millennials



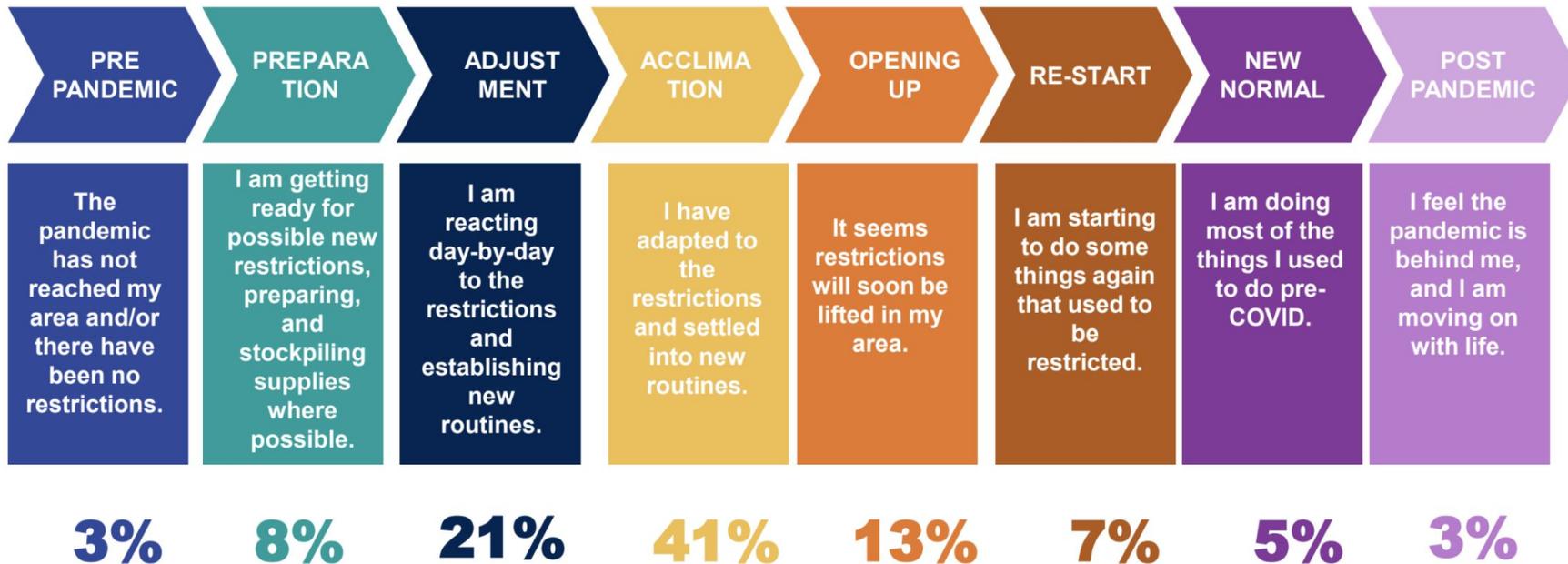
MEDIA CONSUMPTION BOOMER

57-64 years old

● Gen Z ● Millennials ● Gen X ● Boomers



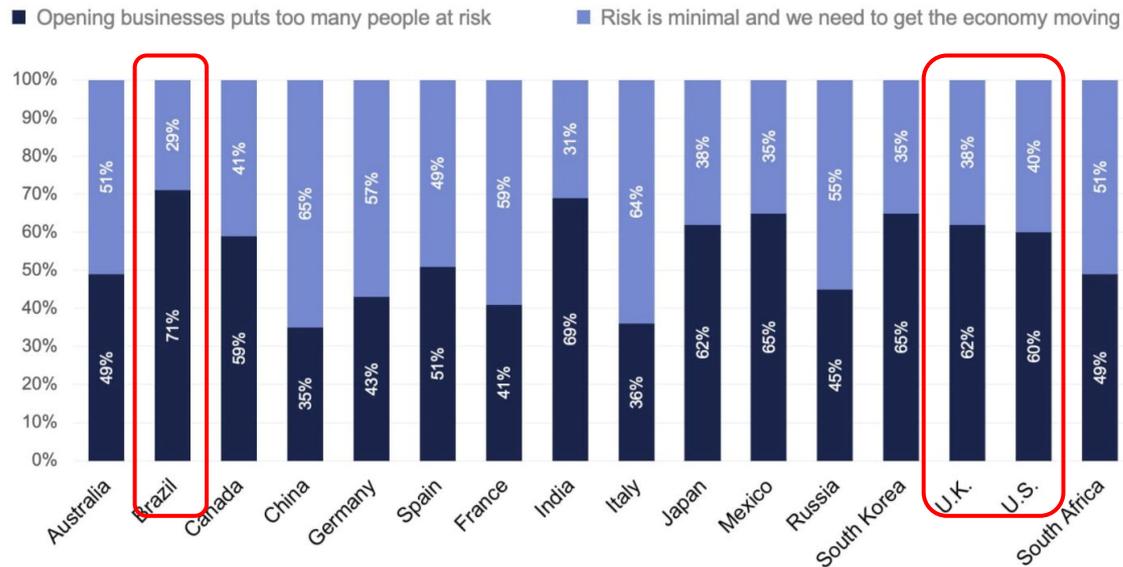
Globally, ~40% are in the acclimation phase and say they **have adapted to the restrictions and settled into new routines.**



There are mixed feelings on when to open back up.

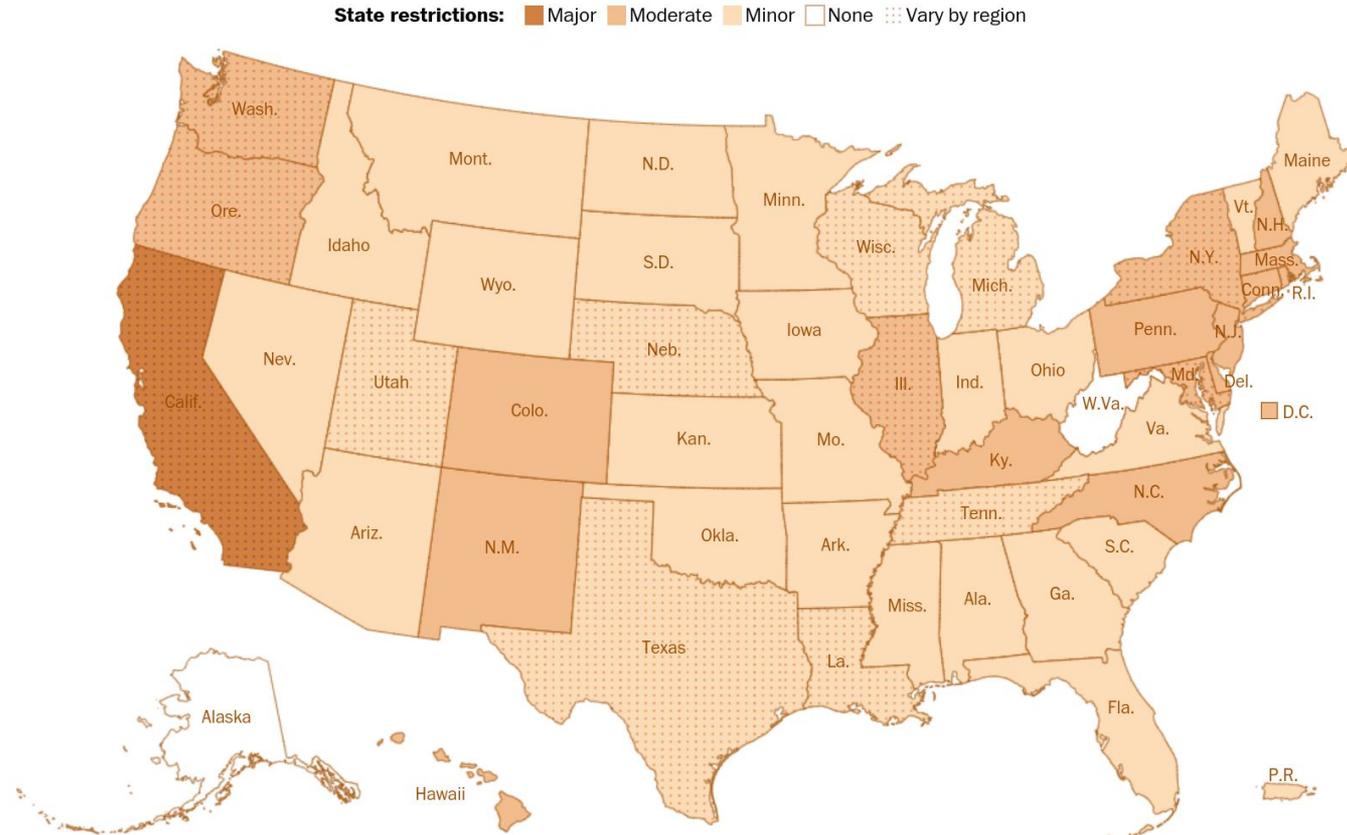
People in BR (71%), IN (69%), MX and KR (65%), JP and the UK (62%) and the US (60%) say **we need to wait before opening businesses**.

Those in hard hit countries like CN (65%) and IT (64%) say **the risk is minimal if people follow new rules as the economy needs to get moving again**.



Recovery will play out locally

Market-by-market policies and consumer mindset will help frame recovery strategies.



80% of consumers feel
more/as connected to their
communities;
88% expect these
connections to stay

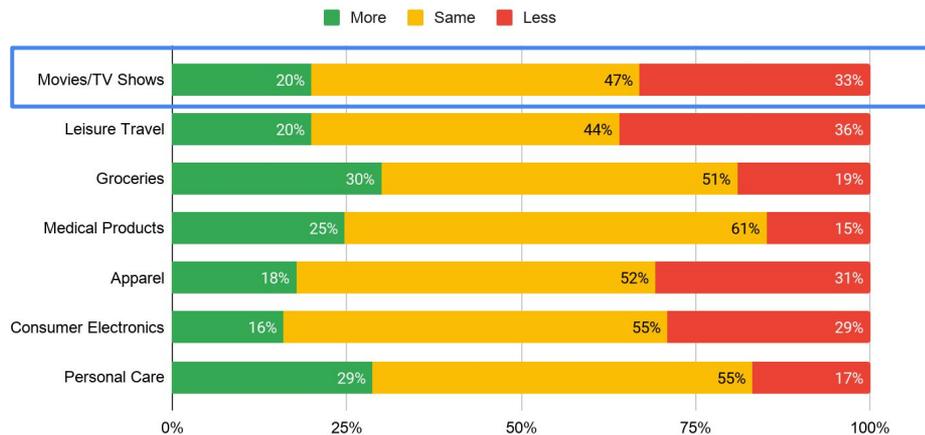


Over **50%** of the general population says they're **paying more attention to prices**, which continues to increase week-over-week.



Financial hardships may cause entertainment seekers to rethink how much they spend on leisure products and activities.

Compared to before Covid-19, how do you anticipate your spending to change after the pandemic (if at all)?



67%

Of Americans say they plan to spend the same or more on Movies and TV after the pandemic.

18-34

Year olds plan to increase Movie/TV spending the most among all age groups (30%)

“Return to Live” Considerations



COVID will undoubtedly accelerate our digital future

Companies with pure or well-developed digital strategies will thrive. Those who do not may not survive.

Though some industries are more natural fits for the home environment than others, M&E has embraced tech to bridge the gap



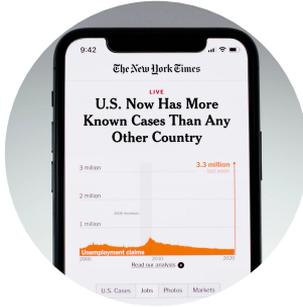
LIVE EVENTS

Live-streaming has enabled a proxy for in-person experiences of all kinds



THEATRICAL

PVOD is the trend to watch, with family-friendly hits like *Trolls* disrupting traditional windows



PUBLISHING

Digital components are even more critical, so brands that can do it well are thriving



STREAMING

An inherently digital industry, streaming is seeing an explosion in watchtime



GAMING

Gaming is leading the way by recruiting new audiences and experimenting with new content



PAY TV

While watchtime of news is surging, big broadcast networks are porting resources to next-gen AVODs

New Box Office

75K paid viewers for SuperM digital concert



VANCOUVER, BRITISH COLUMBIA - FEBRUARY 06: Singers Taemin, Baekhyun, Kai, Taeyong, Ten, Mark and ... [+]

GETTY IMAGES

Why is this important?

SM Entertainment and Naver teamed up to launch a Beyond Live concert streaming service, with a renown KPop band - SuperM - that took place on a Sunday at 3PM in South Korea. It was launched as an alternative to live events in the face of COVID-19 and had huge success from a paid viewer standpoint. They drove 75K paid viewers from 109 countries earning upwards of \$2M. The average ticket price was \$30USD, with higher end merchandising packages offered.

75k

Paid viewers from
the first of four
digital concerts

\$2M

Earned in USD \$ from
virtual ticketing

New Box Office

75K paid viewers for SuperM digital concert



VANCOUVER, BRITISH C
GETTY IMAGES

**BTS GROSS \$18M+ WITH
BIGGEST-EVER PAID LIVE
STREAM**

More than three-quarters of a million people paid between \$24 and \$32 to watch BTS's Bang Bang Con: The Live event, which aired on Sunday 14 June

Paid viewers from the first of four digital concerts

\$2M

Earned in USD \$ from virtual ticketing

a Beyond Live
d - SuperM -
was
COVID-19
they drove
\$2M. The
merchandising

New Distribution Model

Trolls World Tour On-Demand

AMC Theaters will no longer play Universal movies after Trolls World Tour's on-demand success

The decision came after recent comments from NBCUniversal's chief exec

By Julia Alexander | Apr 28, 2020, 7:44pm EDT

f t e SHARE



AMC Theatres will no longer play Universal films effective immediately after "unacceptable" comments were made from NBCUniversal CEO Jeff Shell on its decision to bypass a traditional theatrical release for *Trolls World Tour* and make it a digital exclusive, [according to The Hollywood Reporter](#).

In a new interview with the [Wall Street Journal](#), Jeff Shell noted that *Trolls World Tour*

Why is this important?

For the first time ever, Universal released a film directly to the public to play on demand marking a fundamental shift away from the movie theater distribution model. In the first three weeks of the digital release, *Trolls: World Tour* made more money for Universal Pictures than the original did in 5 months in theaters. AMC in response, pledged to no longer show Universal films in their theaters.

\$100M

Concurrent viewers of first performance on Fortnite alone*

5M

Performances in PDT, EDT, GMT, AEST

New Distribution Model

Trolls World Tour On-Demand

Proprietary + Confidential

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By Julia Alexander | Apr 28, 2020, 7:44pm EDT



AMC Theaters will no longer play Universal films after Trolls World Tour's on-demand release. Comments were made from NBCUniversal executives regarding the traditional theatrical release for Trolls World Tour.

In a new interview, Universal Pictures CEO says the company will no longer show Universal films in theaters.

'Scoob!', After Skipping Theaters, Hits HBO Max Next Week

'The King of Staten Island' Abruptly Pulled From Drive-In Theaters

'SpongeBob Movie: Sponge On The Run' Will Play In Homes Instead Of Movie Theaters

\$100M

Concurrent viewers of first performance on Fortnite alone*

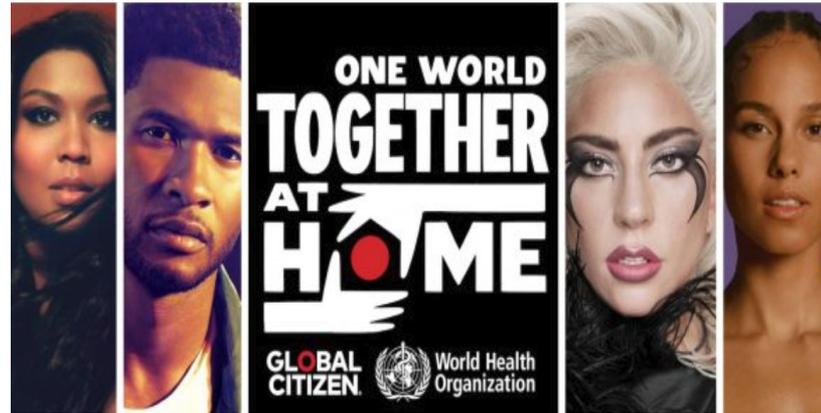
5M

Performances in PDT, EDT, GMT, AEST

New/Old Distribution Model

Proprietary + Confidential

Drive In Concerts / Geo-Fenced Paid Live Streams, Donations vs “Admission” Price,

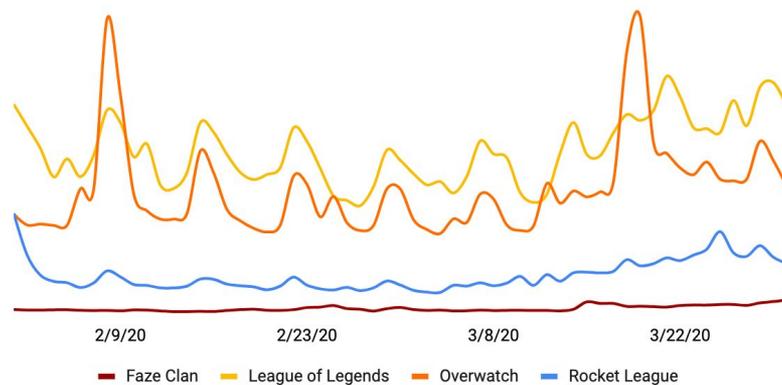


To a degree, eSports has helped to fill the void left by live sports

"Traditional sports fans **want to consume content that is similar to what they know...** they will have no problems following **games that simulate stuff like the NBA**"

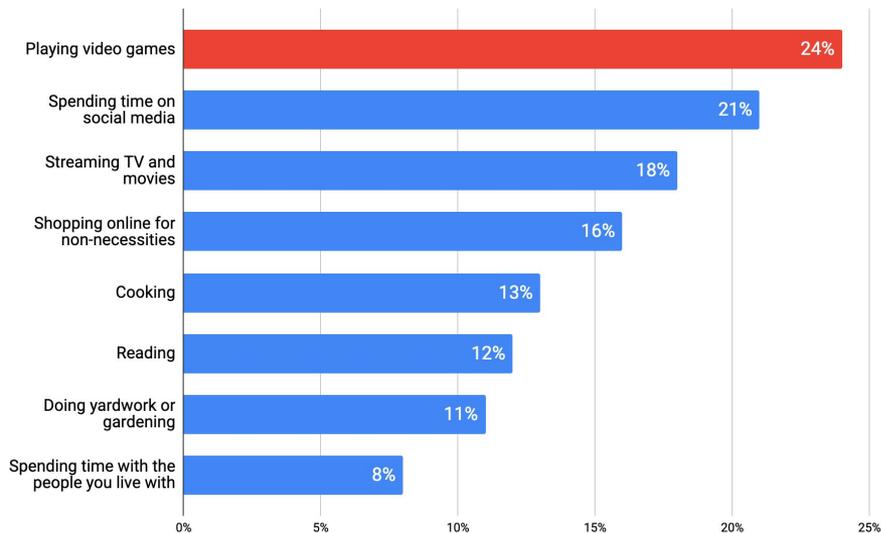
+26%
growth in **NBA2K20**
searches (MoM)

Esports League Searches



However, we're observing signs of an inevitable post-pandemic slow-down in gaming and streaming activity

Which of these activities do you plan to do less of after the pandemic vs. pre-pandemic?



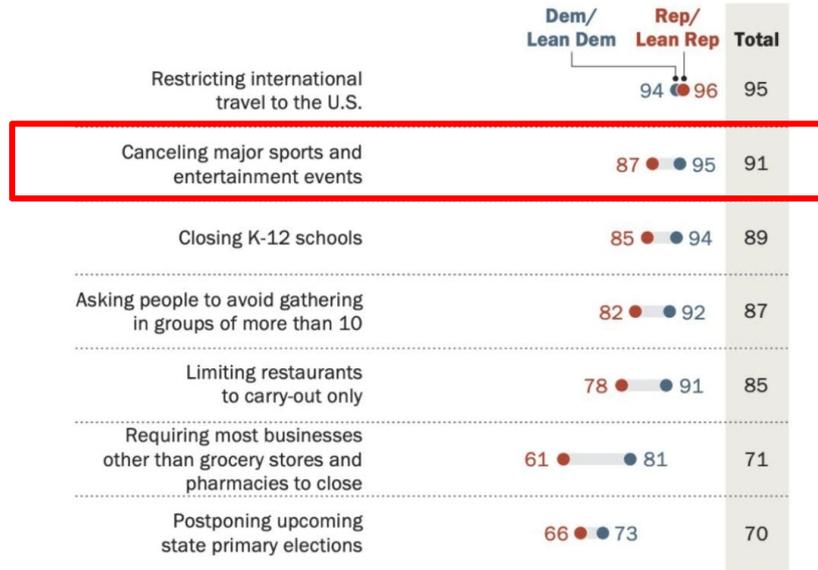
24%

say they will **play less video games** after the pandemic than they did before the pandemic, **ranking the highest** compared to common activities seeing a boost during the pandemic

Initial Broad, Bipartisan Support for Live Events Closures...

Large majorities say restrictions on travel, closures of businesses have been necessary responses

% who say each of the following has been a necessary step to address the coronavirus outbreak



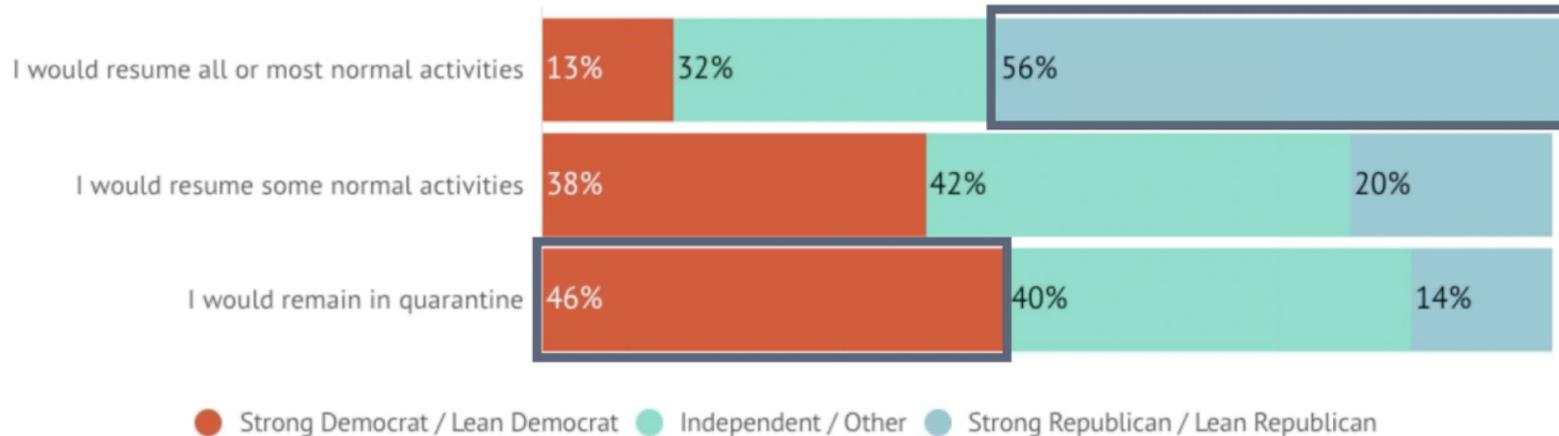
Note: No answer responses not shown.

Source: Survey of U.S. adults conducted March 19-24, 2020.

Politics At Play

Political tribalism is STILL the most pervasive force in determining how a recovery unfolds for different regions, industries, and brands.

If your state / local government issued a notice to go back to normal day-to-day activities in order to prevent any further negative impact on the economy, how would you respond? compared with *Generally speaking, do you think of yourself as a Republican, a Democrat, or an Independent / Other?*

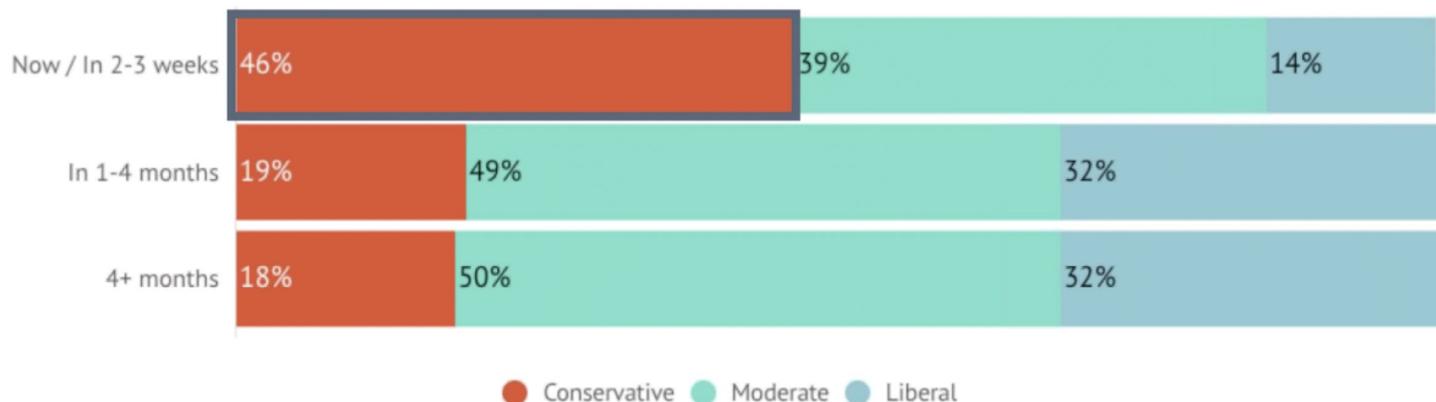


20,963 responses, weighted by U.S. Census 18+
Survey Dates: May 17 - June 3, 2020
© CivicScience 2020

Politics At Play

We see the trend whether we cut the data by party ID or ideology. Self-identifying **Conservatives are much more comfortable returning to restaurants and stores.**

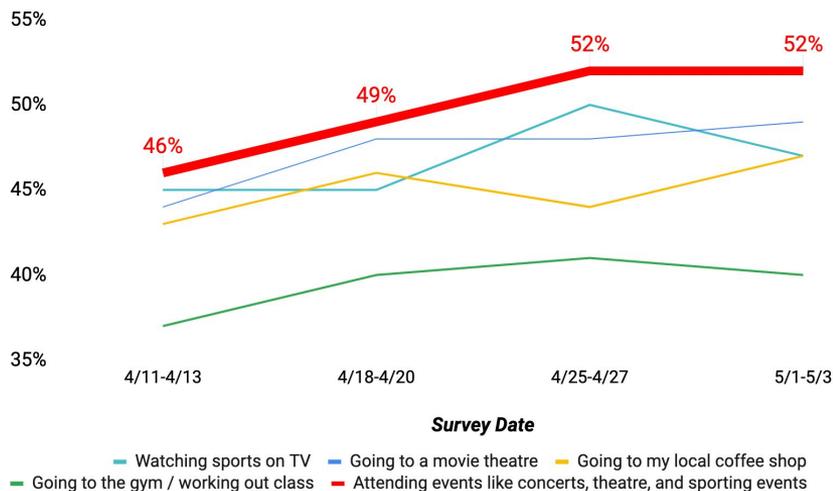
How soon from now would you be comfortable going out to eat at restaurants?
compared with *Which of the following best describes your political leanings?*



7,903 responses, weighted by U.S. Census 18+
Survey Dates: May 28 through June 3, 2020
© CivicScience 2020

We've seen signs of pent-up demand for live events

PERCENT OF AMERICANS WHO
MISS ATTENDING EVENTS LIKE CONCERTS, THEATRE, AND
SPORTING EVENTS VS. OTHER ACTIVITIES



NOTABLE DEMOS OVER-INDEXING IN THEIR RESPONSE TO MISSING ATTENDING LIVE EVENTS

Males | 58%

A18-34 | 57%

A35-49 | 60%

Income \$75k | 59%

...but Casual Fans remain cautious

After coronavirus lockdowns are lifted, how long will it take you to be comfortable going to sporting events / concerts / similar events with large crowds?

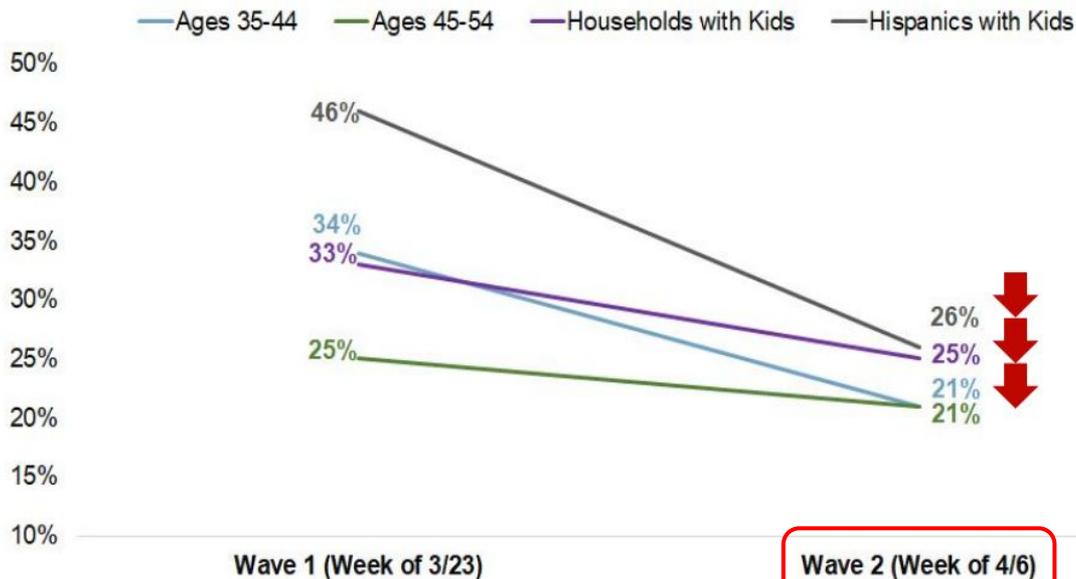


4,532 responses, weighted by U.S. Census 18+
Survey Dates: April 9, 2020 - April 22, 2020
© CivicScience 2020



Hesitation to return to live events is largely driven by 35-54 year olds and consumers with kids

LIKELIHOOD TO ATTEND LIVE EVENT 1 MONTH OR LESS AFTER PANDEMIC



Those with children have been taking greater strides to avoid crowded public areas recently (+5% for both Households with Kids and Hispanics with Kids)

(Statistically significant from Wave 1 at 90%)

Consumers expect changes - some drastic, others relatively minor.

Ensuring public safety and room for social distancing grows even more important as states reopen



TOP 5 MEASURES FOR LIVE EVENTS



Hand sanitizer stations throughout the venue

61%
62%



Limited seating to allow for social distancing

44%
50% ↑



Outdoor / open air venues

51%
48%



Limiting number of tickets sold / not allowing for maximum capacity

50%
48%



Attendees having to wear masks

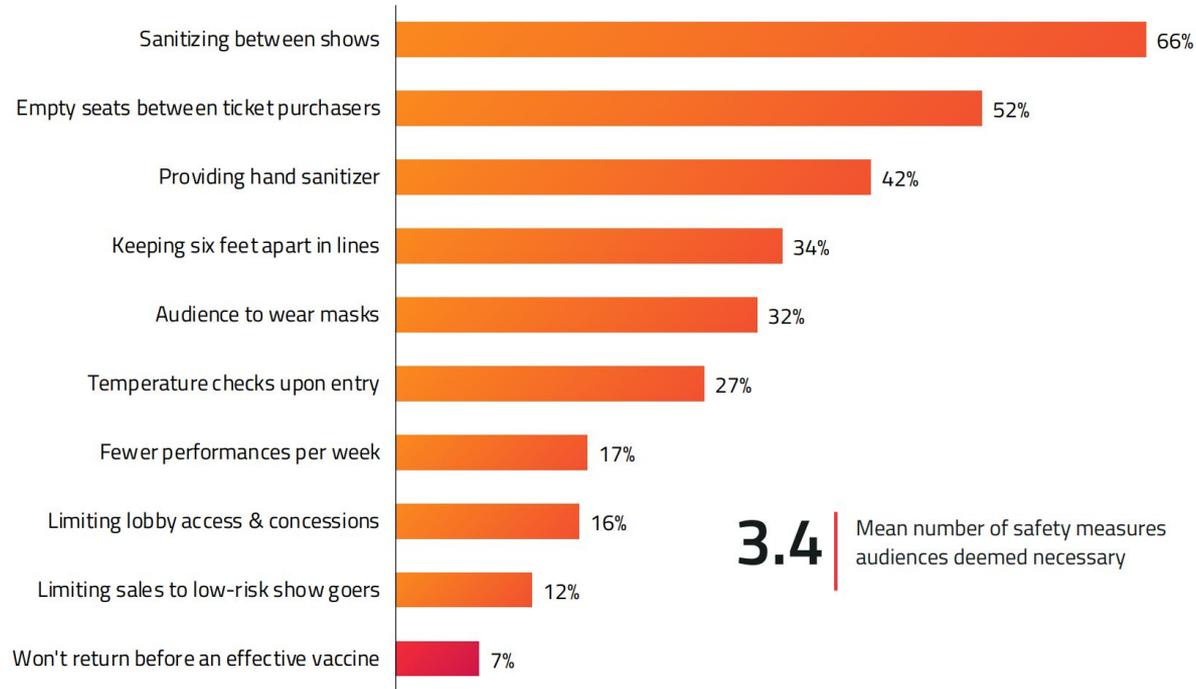
32%
42% ↑

Wave 3 (Week of 4/20) | Wave 4 (Week of 5/4)

↓ ↑ (Statistically significant from Wave 3 at 90%)

Consumers expect changes - some drastic, others relatively minor.

Necessary Safety Measures

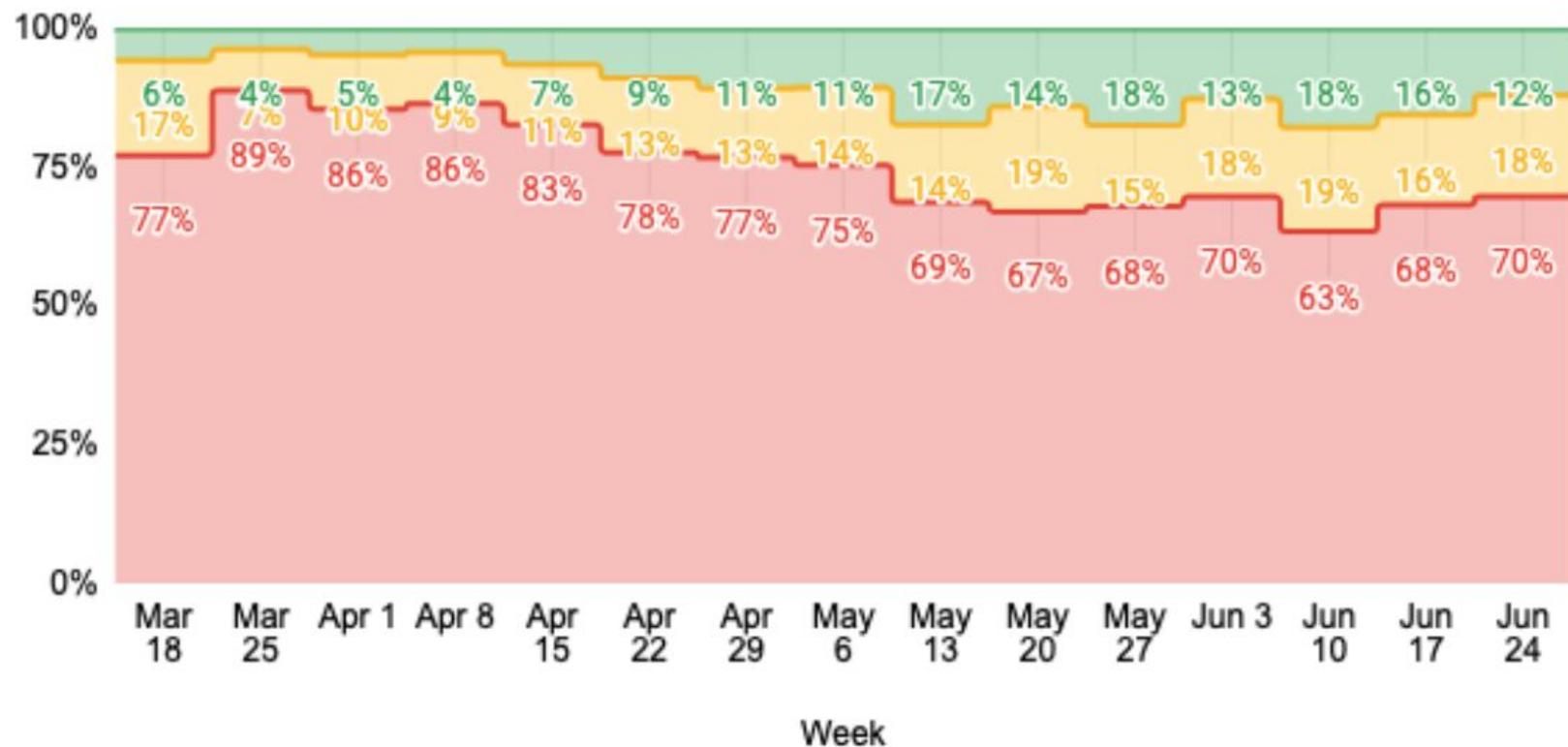


Key signals to which we're paying close attention.



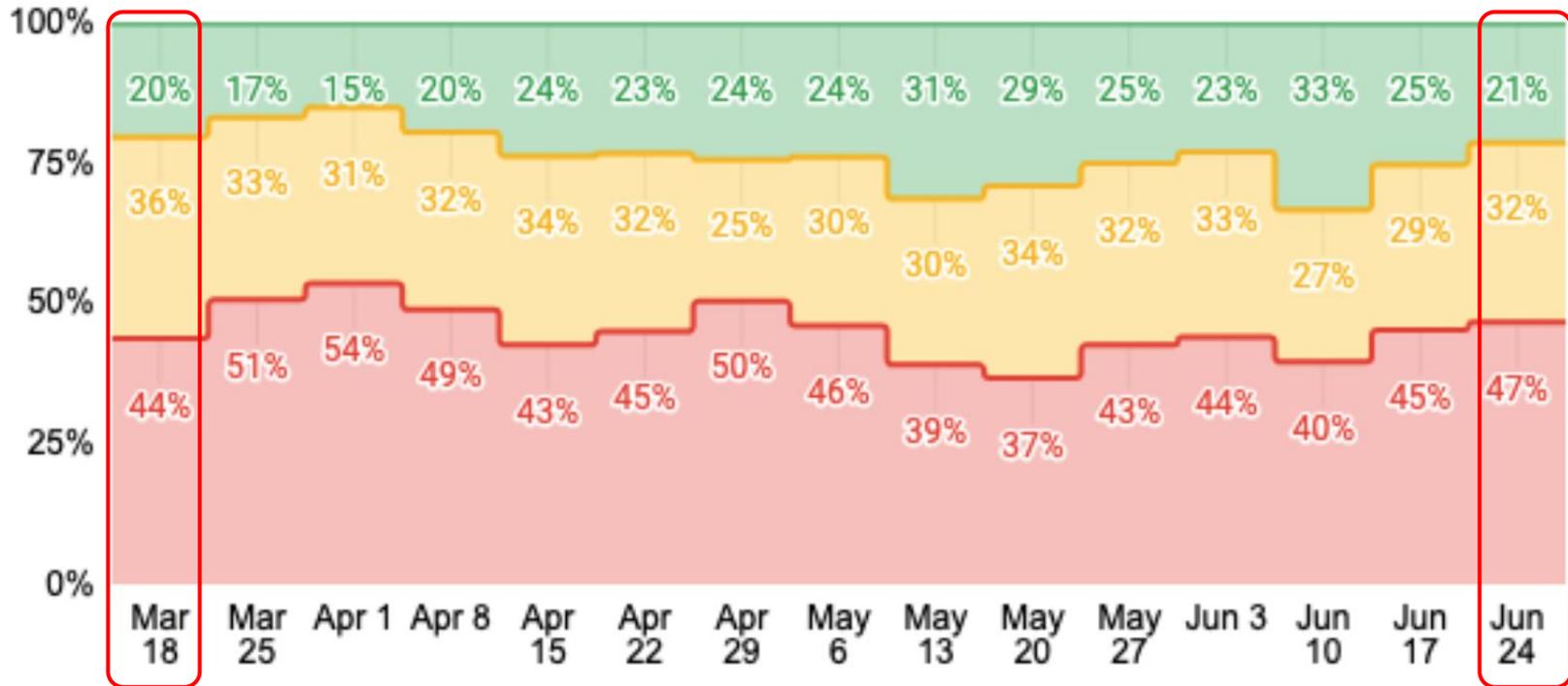
Would you attend any live events (shows, concerts, sporting events, etc.) that happen in the next 2 weeks?

Yes Unsure No



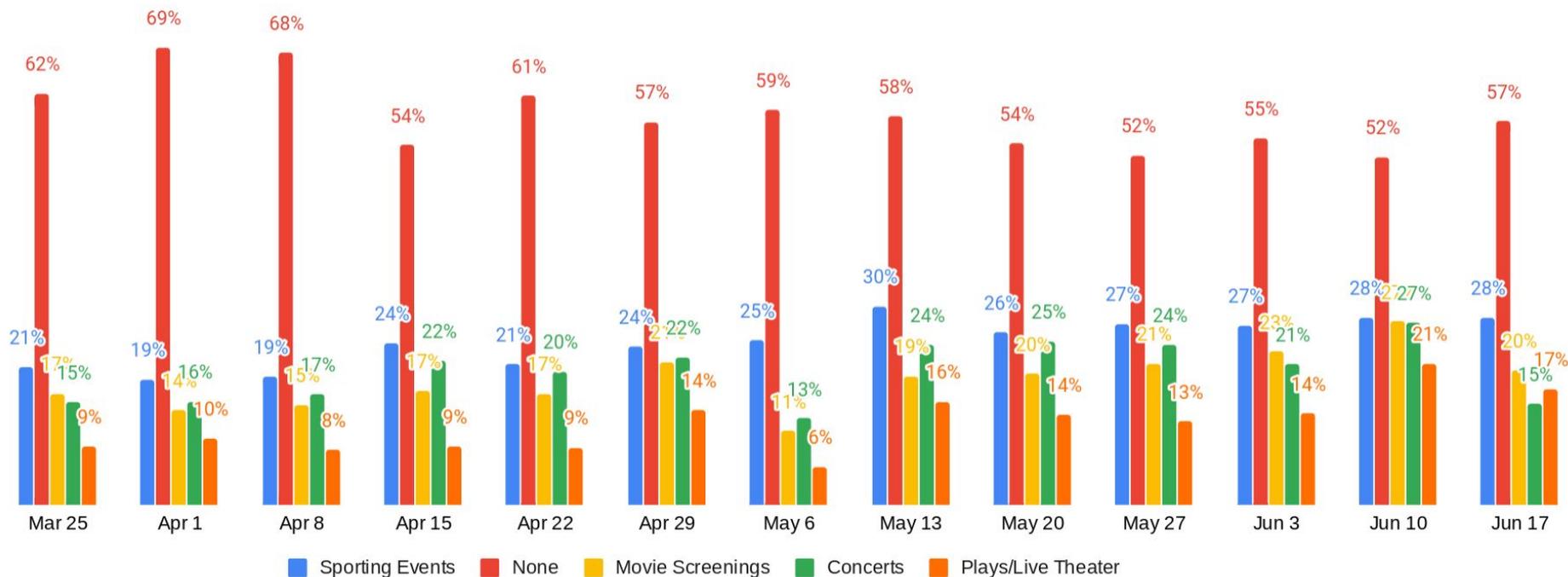
Would you attend any live events (shows, concerts, sporting events, etc.) that happen in the next 3 Months?

■ Yes
 ■ Unsure
 ■ No

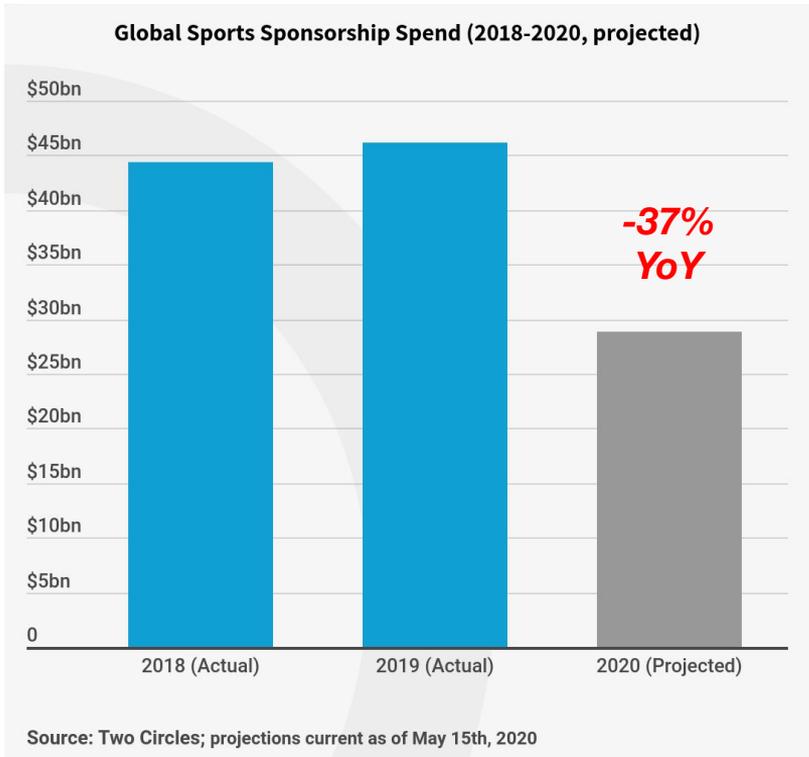


1/3
 "Undecided"

What type of event (in the next 3 months)...



...Sports Sponsorship being impacted as well



*“...The sports properties that use this period to invest in their sponsorship propositions, **moving away** in particular **from analogue-led logo exposure to digitally-driven, tangible audience engagement**, will be those that thrive most post-Covid-19.”*

Consumers seek connection and a sense of community from artists and brands

ARTIST & BRAND ATTITUDES



Willing to **buy merchandise or music** to support artists

36%

38%

38%

43%



Artists' **social media** is important to me at this time

34%

33%

31%

40%



Artists should set up **virtual meet and greets** for canceled events

41%

42%

41%

46%



I would view a brand more favorably if they...



Helped **small businesses & communities** affected

73%

76%

72%

76%



Found ways to **support artists**

47%

51%

49%

55%



(Statistically significant from Wave 3 at 90%)

Regional Activations Rolling Out

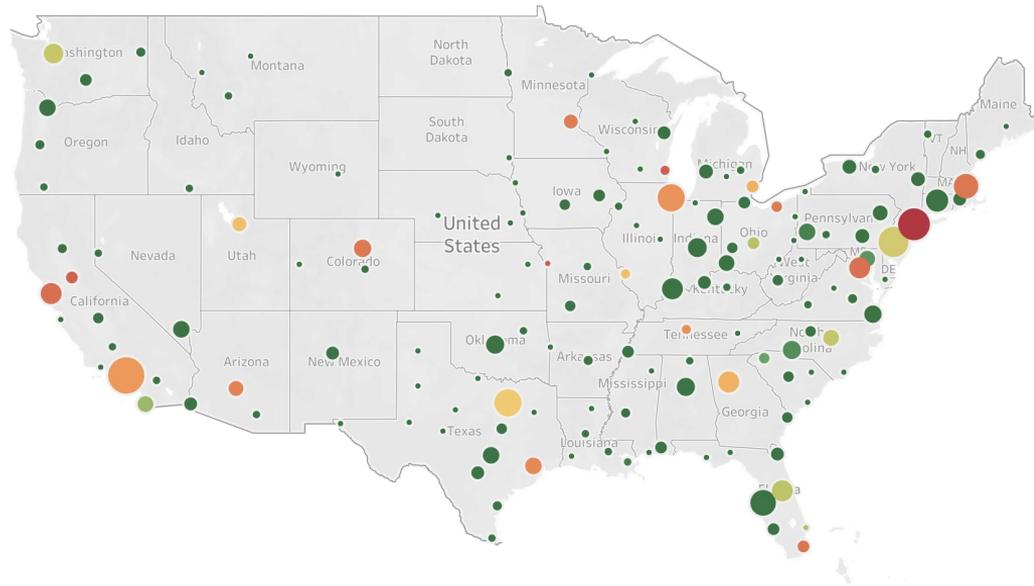
Tobin Center Finds New Rhythm Amid Coronavirus Pandemic

by Lindsey Carnett
June 14, 2020



By attending the Rally, you and any guests voluntarily assume all risks related to exposure to COVID-19 and agree not to hold Donald J. Trump for President, Inc.; BOK Center; ASM Global; or any of their affiliates, directors, officers, employees, agents, contractors, or volunteers liable for any illness or injury."

Where: Global/US search trends can signal which markets are poised for relatively accelerated recovery

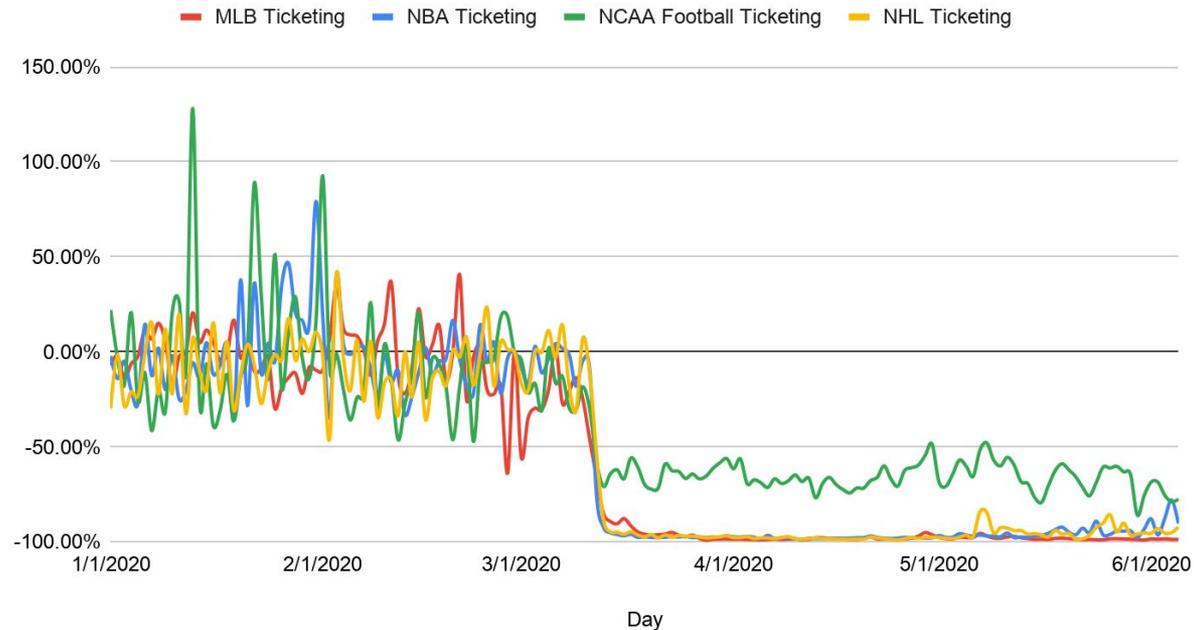


*NFL Ticketing Search Query Trends by DMA
(4/13/20 - 4/19/20)*

- Of the 30 NFL markets in the U.S., Tampa and Las Vegas are exhibiting the highest relative search interest in NFL tickets.
- On the other hand, New York, San Francisco, Miami and Washington DC are among the markets with the lowest relative search interest in NFL tickets.
- Non-NFL markets are generally over-indexing, suggesting pent-up demand in these markets.

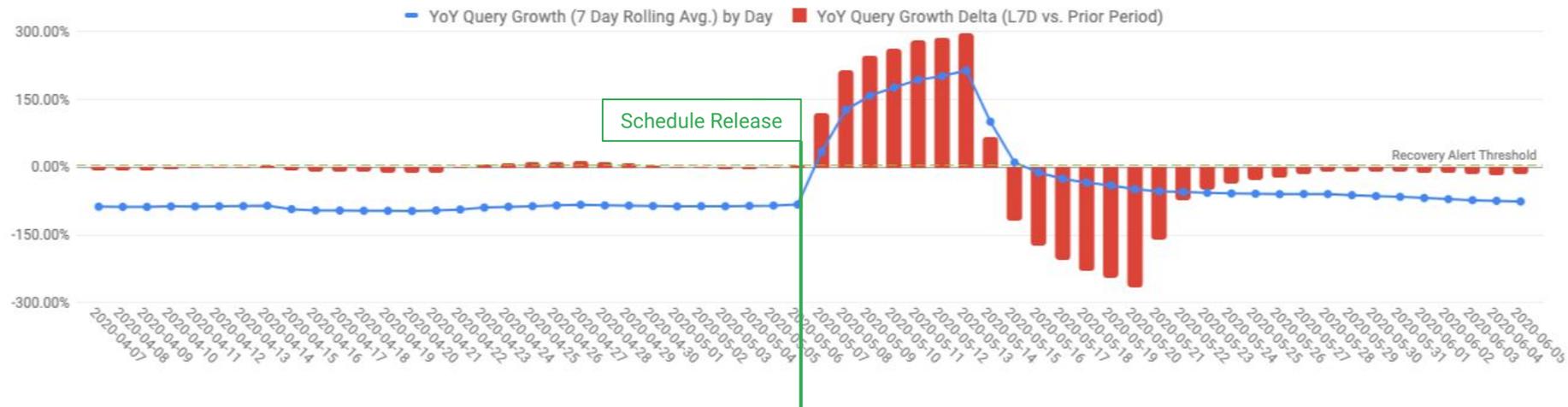
College Football seeing smallest relative decline in demand

YoY Search Volume

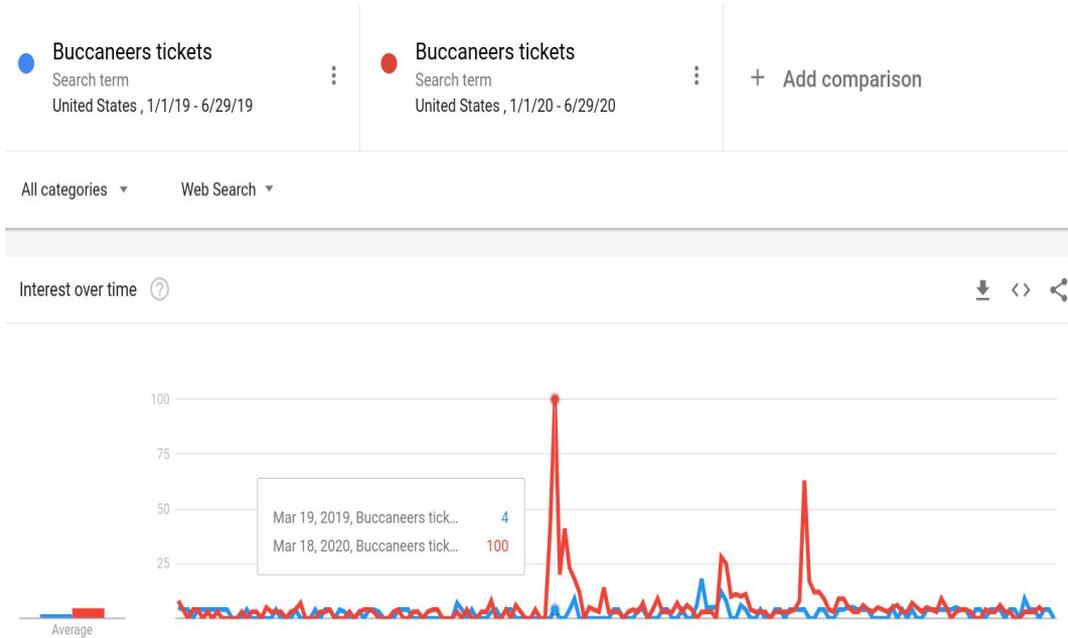


NFL Snapshot

YoY Query Growth (Rolling 7 Day) by Day



...some ticketing events/activities still drive demand



...some ticketing events/activities still drive demand

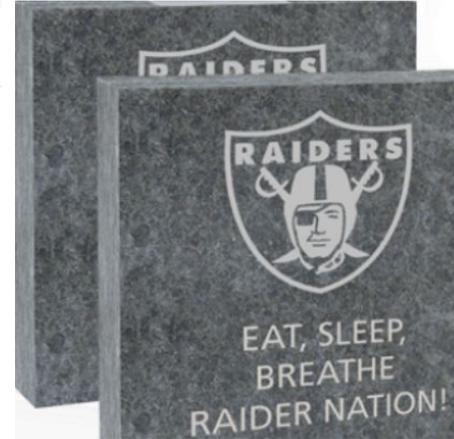
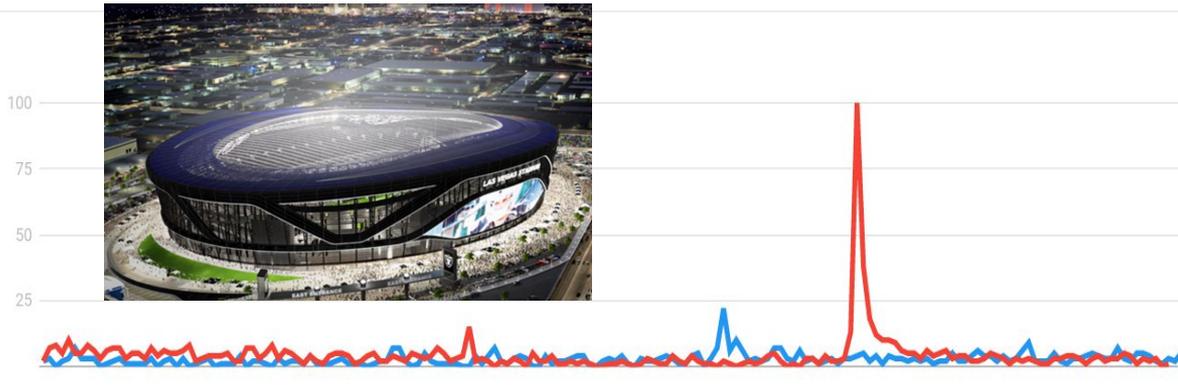
● **raiders tickets**
Search term
United States , 1/1/19 - 6/29/19

● **raiders tickets**
Search term
United States , 1/1/20 - 6/29/20

+ Add comparison

All categories ▾ Web Search ▾

Interest over time ?

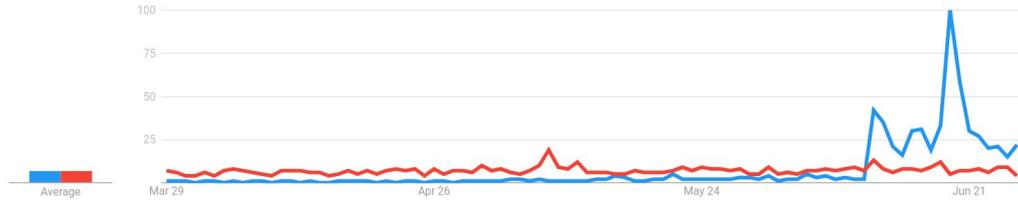


Secondary Markets Respond to Changing Behaviors

● drive in concert Search term ● football tickets Search term + Add comparison

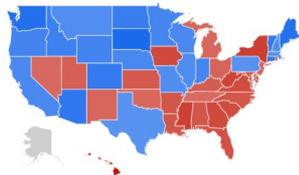
United States Past 90 days All categories Web Search

Interest over time



Compared breakdown by subregion

● drive in concert ● football tickets



Sort: Interest for drive in concert

Rank	Subregion	drive in concert	football tickets
1	South Dakota	High	Low
2	Washington	High	Low
3	Maine	Low	High
4	Arizona	Low	High

Ad · www.stubhub.com/

Garth Brooks Tickets - Get the Best Value on Tickets

All Garth Brooks tickets are 100% guaranteed by FanProtect™. Get to StubHub. 8/22 at Allegiant Stadium · Sell tickets quickly

Ad · www.ticketmaster.com/

Garth Brooks Drive-In Concert - June 27 Tickets Just Added

June 27 One Night Only! Buy Tickets to see Garth Brooks at a Drive-In Theater Near You. 100% Verified Tickets. Safe & Secure Marketplace. Fan Guarantee. Ticketmaster®. Amenities: Tour Schedules, Seating Charts, Venue Information, Secure Checkout. Ticketmaster · Concert Tickets

Ad · www.vividseats.com/

Garth Brooks Drive In Concert - Tickets On Sale for All Dates

Buy 2020 Garth Brooks Tickets at Vivid Seats® | Order Online Today. Amazing customer service. Unmatched Service. Loyalty Rewards Program. Instant Download. Redesigned App.

Ad · www.seatgeek.com/

Garth Brooks 2020 - View Schedule & Tickets

Garth Brooks Drive In Tour Dates Announced | Buy Tickets Now! See Garth Brooks This...

www.ticketmaster.com · Concert Tickets · Country

Garth Brooks Tickets, 2020 Concert Tour Dates | Ticketmaster

Buy Garth Brooks tickets from the official Ticketmaster.com site. Find Garth Brooks tour schedule, concert details, reviews and photos.

Sat, Jun 27 Garth Brooks
Sat, Aug 22 Garth Brooks
Sat, Oct 10 Garth Brooks

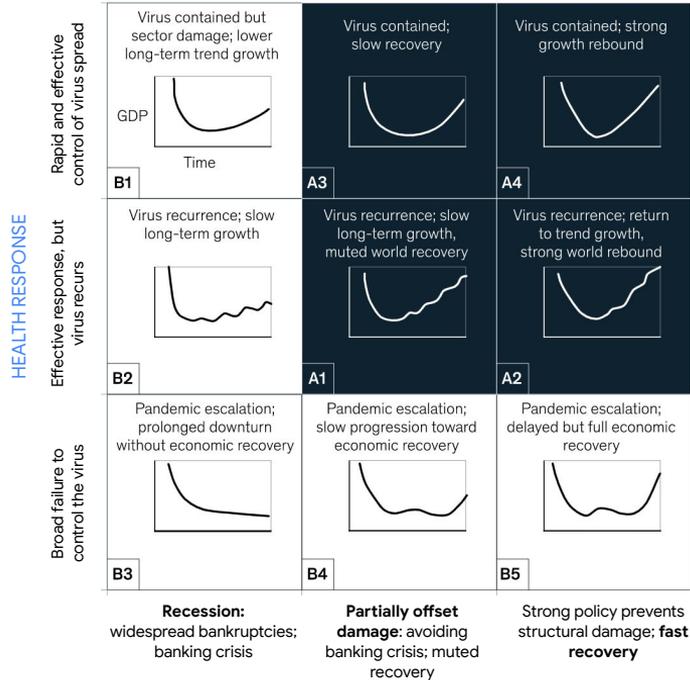
Garth Brooks - Charlotte, NC at ... · Garth Brooks - Las Vegas, NV ... · George Strait

OK... so what now?



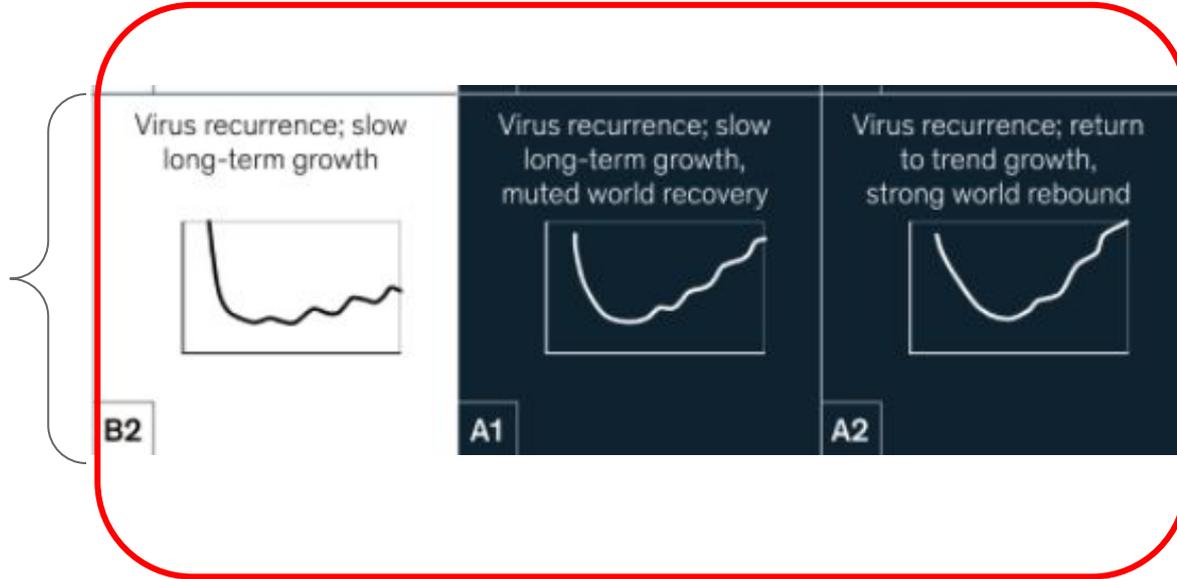
Multiple scenarios for recovery

Example: McKinsey Scenarios for Economic Recovery ¹



POLICY/ECONOMY RESPONSE

Ticketing/Live Events:
B2 (pessimistic) or A2 (optimistic)
Scenarios most likely



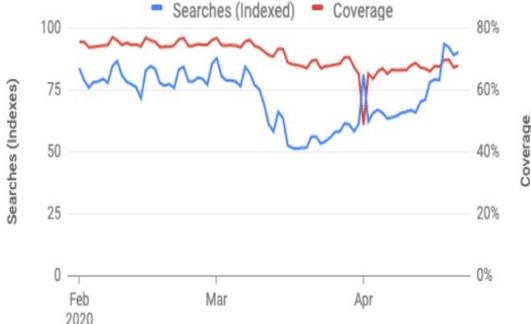
Short Term Opportunity: Lean Into Merchandising and Fundraising to Generate Cash Flow



e-Commerce Opportunity: Ticketing and Live Events

With physical stores shuttered, digital commerce has become a lifeline for retailers. We also see this as a potential lifeline for arenas, teams, artist, shows, etc. with merchandise on hand that was intended to be sold to attendees of these live events.

* Search Trends for Apparel



Google Ads has helped us maintain steady thresholds of qualified traffic, funneling high-intent shoppers to the Miami HEAT online store.

Matthew Strelitz
Digital Strategist, Miami Heat

It's Now Free To Sell With Google!

Have bobble heads, show posters, or t-shirts? While Google has historically charged advertisers to sell products through Google Shopping, this platform is now being made free to retailers!

- Already have a Google Merchant Center? Submit and [update product feeds](#) for free.
- Don't have a Merchant Center? Work to [set one up](#) for Q3 launch time frame.

What We Recommend:



Search: Show up for users who are searching for your merchandise and lead them to the point of purchase.

Display: Leverage custom audiences to stay in front of your fans with the products that you have available.



Utilize Google Shopping to showcase merchandise to users and fans who are actively searching for it. Upload product feeds for free and promote specific product to be in the top spot!



Leverage TrueView / TrueView for Shopping through your Merchant Feed to stay relevant with fans. Highlight product images within the image carousel next to video creatives.

Automation: Specify profit margins to bid towards and ensure proper return.

Invest Now in Content, bulk up Earned and Owned Media Opportunities



Sports Teams' *YouTube Subscribers* are

4x

more likely to purchase
tickets to event

YouTube viewer remarketing lists
have proven to be successful in
driving efficient subscriptions
compared to the average

CTR	Conv. Rate	Cost / Conv.
+76%	+12%	-13%

Thank You

Spread
joy
not
germs



Wave
now
HUG
Later

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