Canadian Media Usage Study 2020

Executive Summary
French Canada

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PHD Canada, January 2021

What’s CMUST?

Since its inception in 2004, PHD Canada’s Canadian Media Usage Study (CMUST) has been the only in-depth examination of multi-media usage sourced from the multiple research audience currencies of record.
The study documents consumers’ changing media consumption across as digital technologies increasingly impact Canadians.

This year’s study updates trends on overall media usage and device penetration trends. For the first time, usage behaviours are grouped around ‘video’ and ‘audio’ in order to contextualize the rise of this type of content consumption through digital channels relative to the legacy equivalent. We’ve also estimated the proportion of each that is ‘available’ to advertiser.

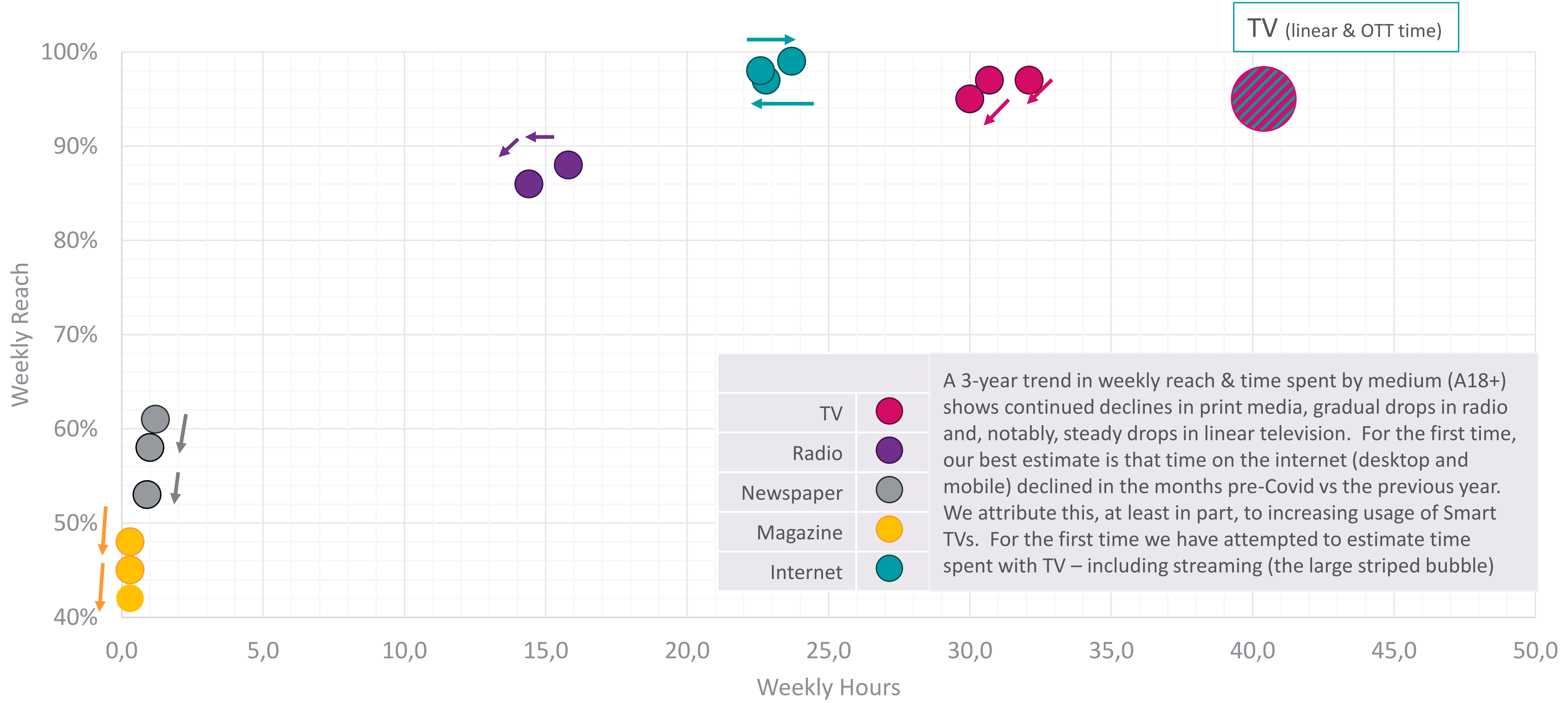
Given the impact of Covid on our lives and on the economy, this document also assesses the impacts on media consumption and provides a point of view on which are likely to be short-lived and which will be long-lasting.

We’ve also provided an overview of how share of time and share of ad spend break out across media. A review of economic, advertising spend, and eCommerce trends suggests challenging years ahead for the industry.

Historic data suggests a likely squeezing of many media as overall spends are likely to slow relative to the wider economy and the transition to eCommerce may power increased digital (and especially search) investments.

Overall Media

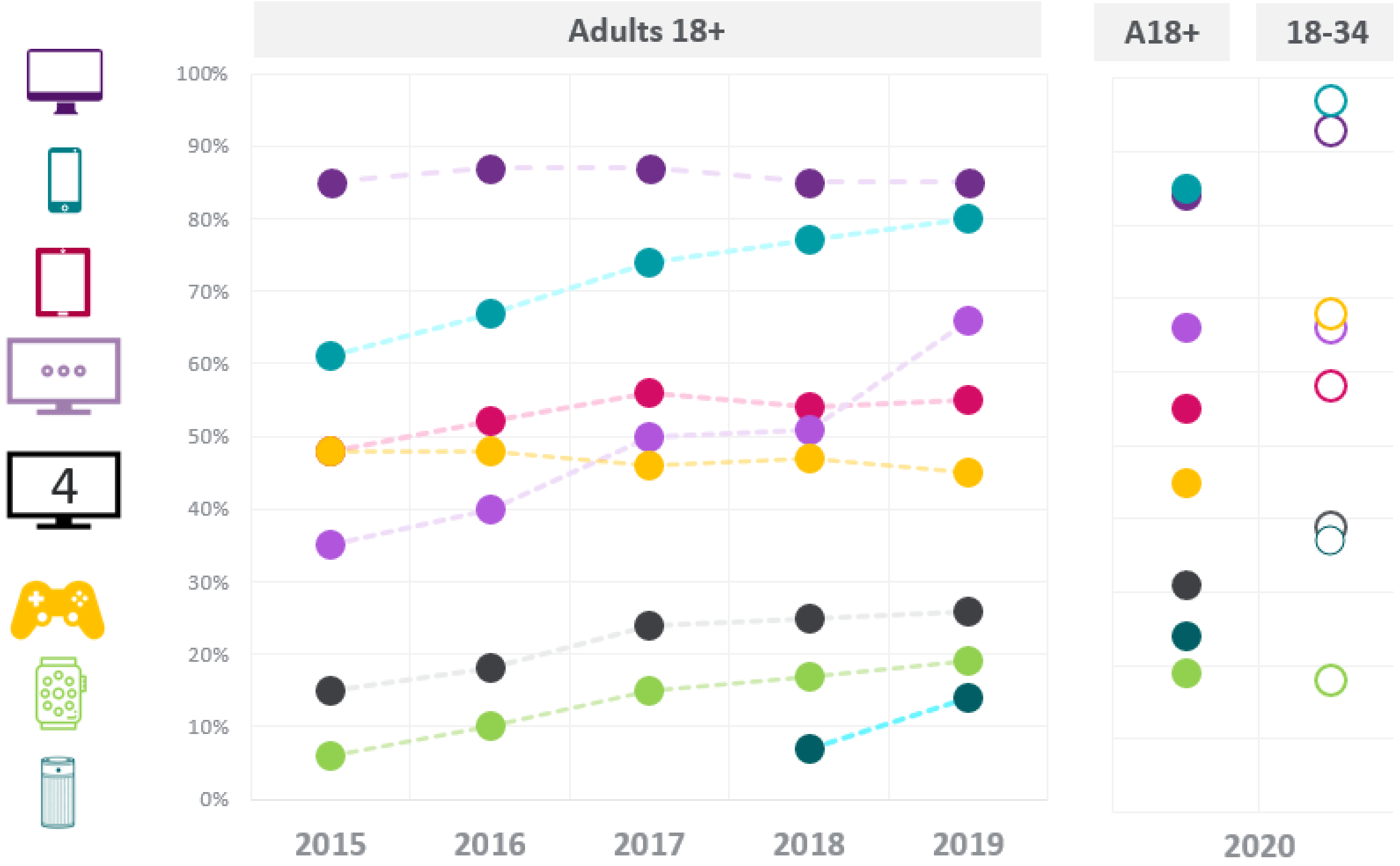
Weekly Reach & Time 3-year Trends



Sources: Numeris PPM TV & Radio; Vividata Spring 2020; PHD estimates from multiple sources

Device Penetration

5 Year Trends



Penetration continues to grow for mobile phones – which are now ubiquitous amongst <35.

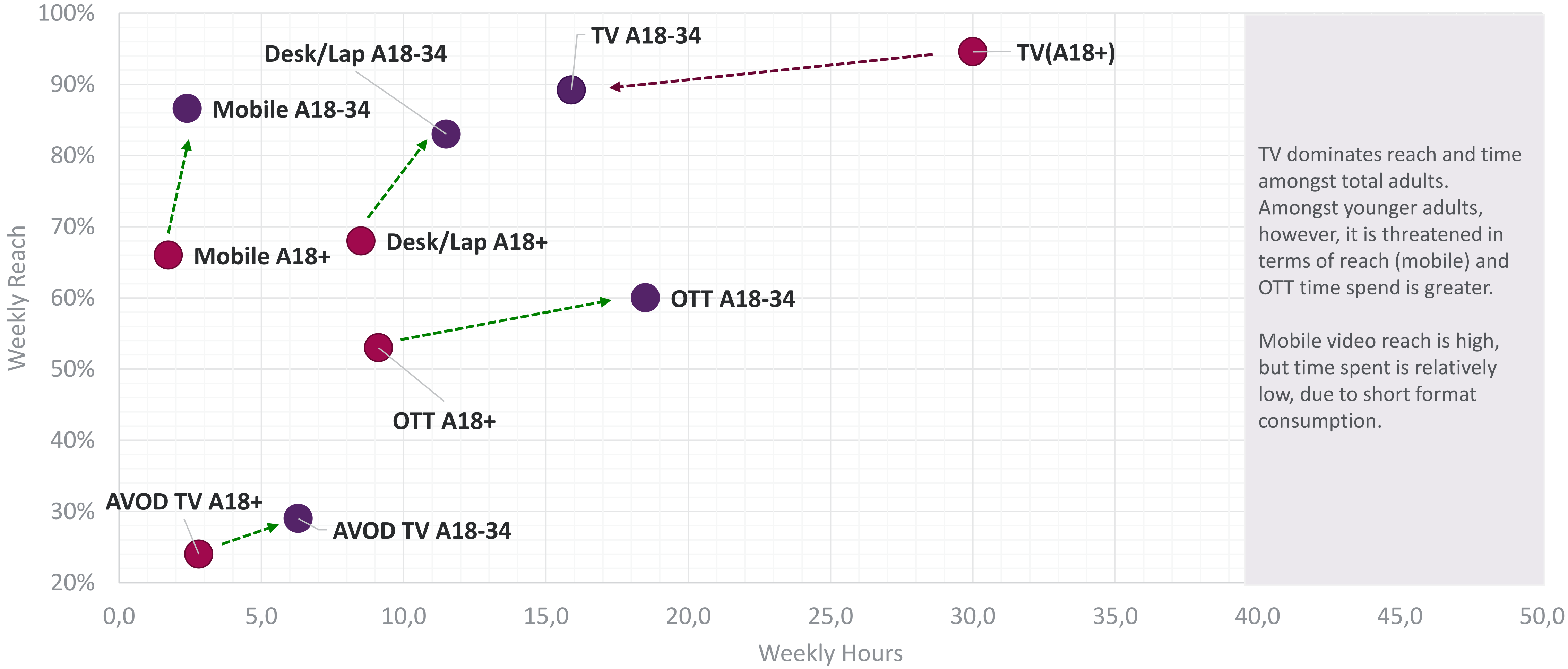
Smart TVs saw marked growth in 2019 and are surprisingly strong amongst younger adults as well.

For the first time Tablets seem to index to younger groups – perhaps an indication of the influence of streaming services.

Wearables seem to have plateaued while Smart Speakers are showing sustained growth.

Video Reach/Time

A18+ vs A18-34 Comparison



TV dominates reach and time amongst total adults. Amongst younger adults, however, it is threatened in terms of reach (mobile) and OTT time spend is greater.

Mobile video reach is high, but time spent is relatively low, due to short format consumption.

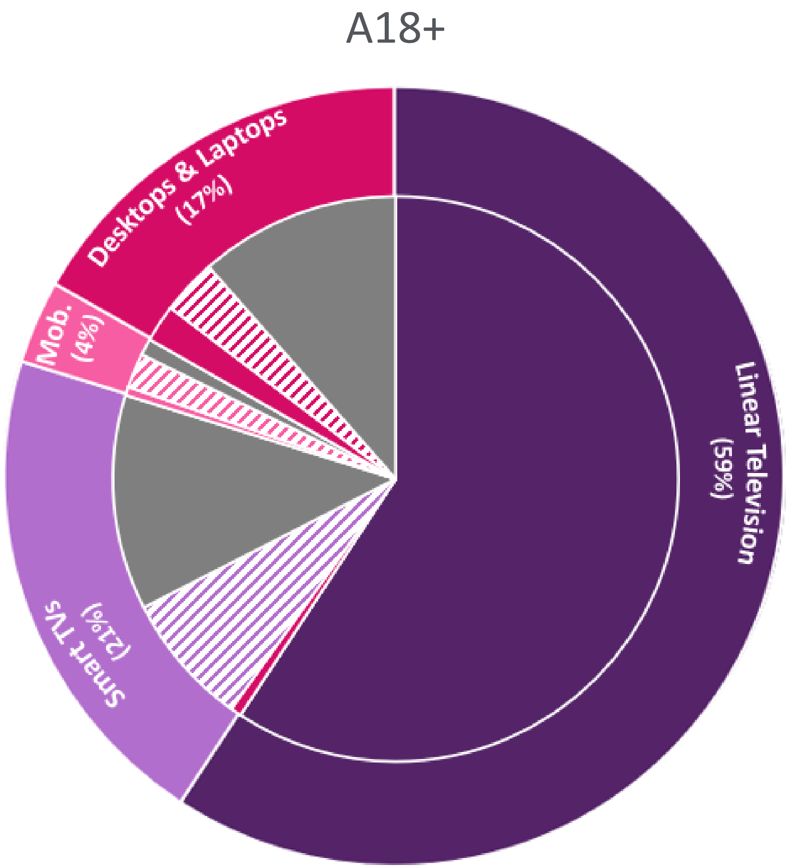
Share of Video Time

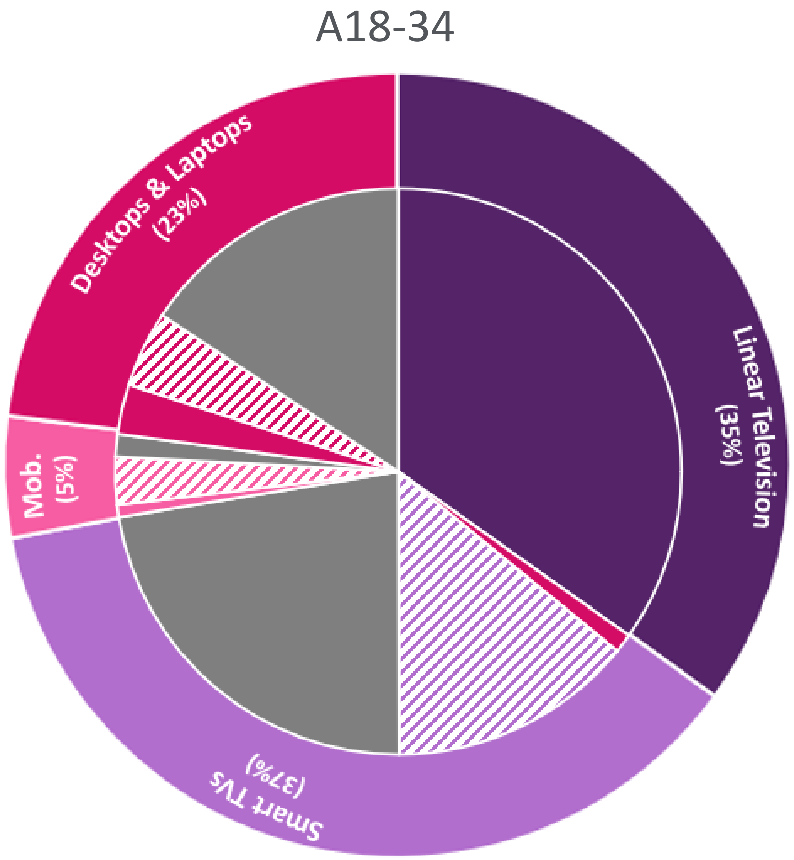
A18+ vs A18-34 Comparison

Solid Domestic

Platform

Subscriptior





Estimated Share

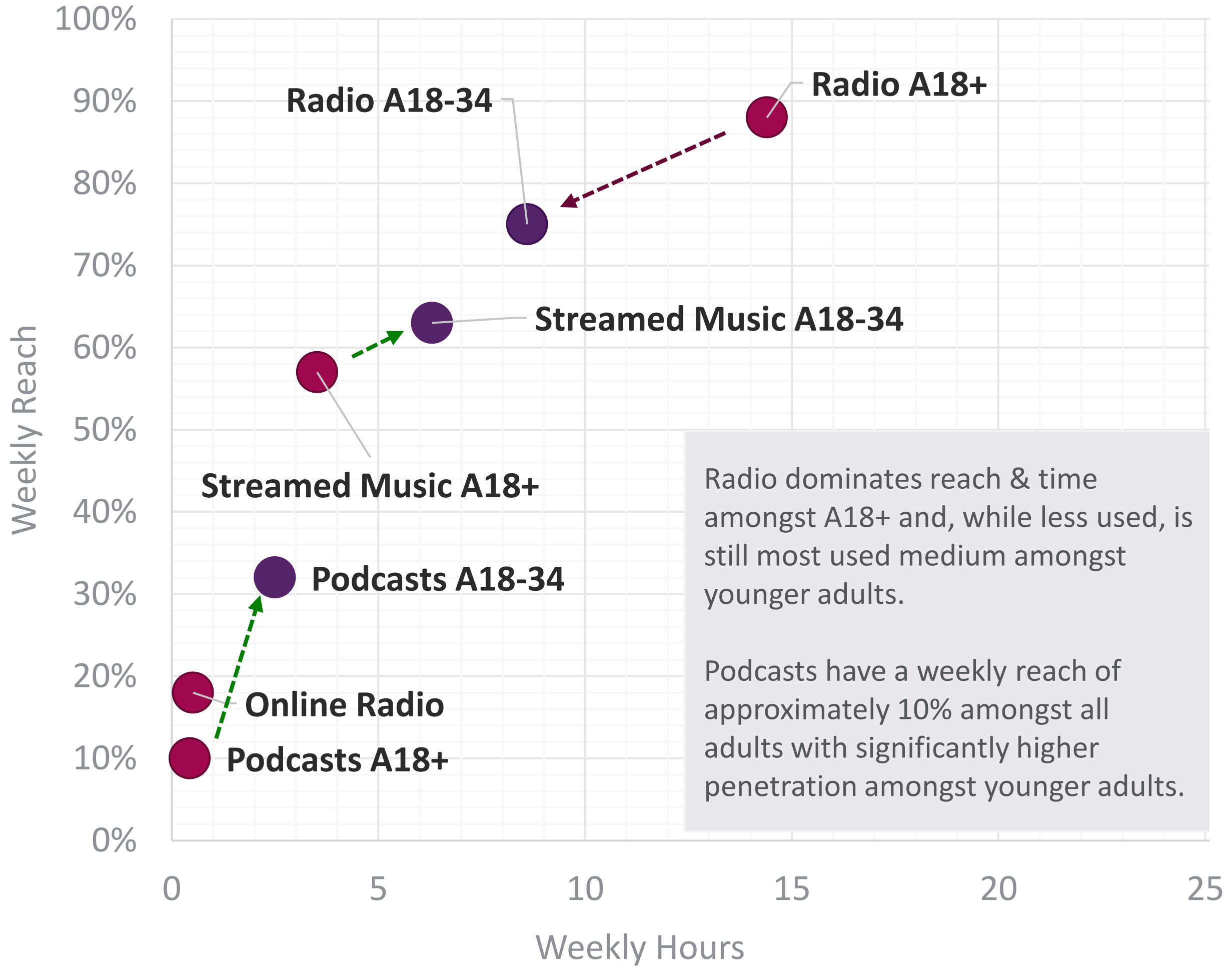
	Total Video	Digital Video
Ad-Funded	75%	39%
Domestic	62%	8%

	Total Video	Digital Video
Ad-Funded	61%	39%
Domestic	39%	7%

phd

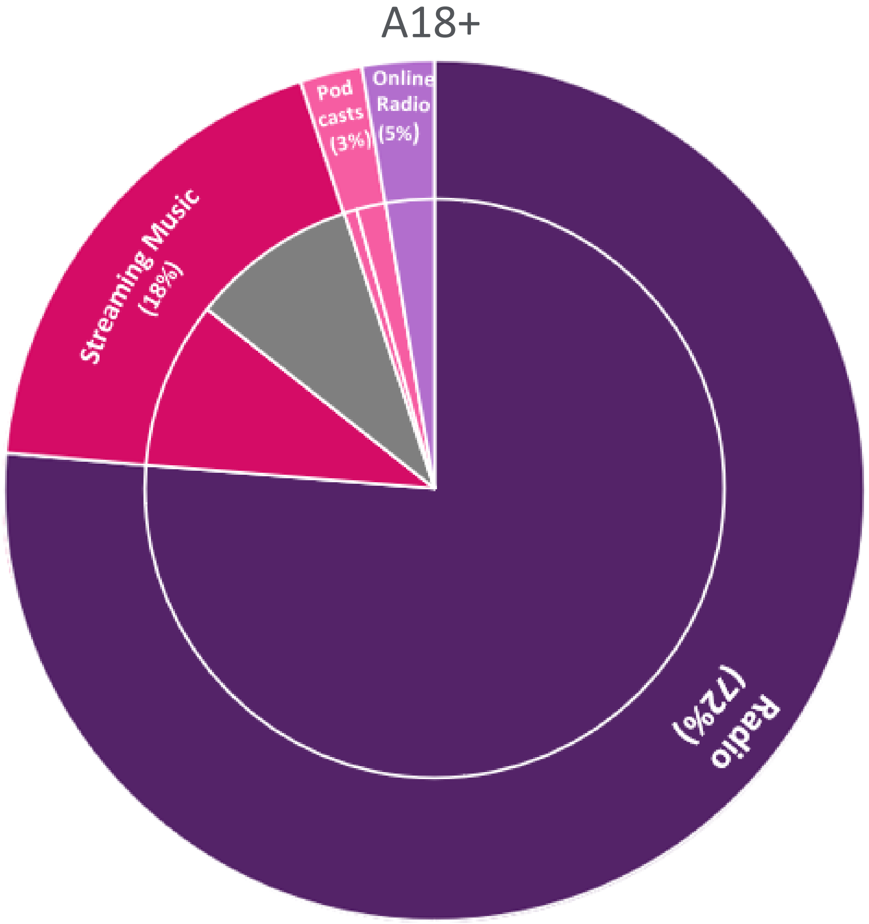
Audio Reach/Time

A18+ vs A18-34 Comparison



Radio dominates reach & time amongst A18+ and, while less used, is still most used medium amongst younger adults.

Podcasts have a weekly reach of approximately 10% amongst all adults with significantly higher penetration amongst younger adults.



Source: *Numeris PPM Radio, PHD estimates from multiple industry sources, Canadian Podcast Listener*

Momentum

Upward Momentum

General Internet
+20% time

Overall TV
+3% time

Video Gaming
+19% people increased time[1]

Virtual Classrooms
+17% of households[1]

TV 35+
+4% time, -1% reach

OTT
+9% subs (~1 year of growth)[1]

Digital Video
+18% site visits

Digital Audio
+9% streaming
+7% Podcast penetration (~2 yrs growth)

eCommerce
+40-60% share post-lockdown,
2-3 years of growth

Downward Momentum

Overall Radio
-12% time
-5% reach

Overall OOH
-26% Traffic

TV A18-34
-6% time
-3% reach = 2 years of decline

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Likely a short-term trend
Likely a long-term trend
Likely to slow but continue

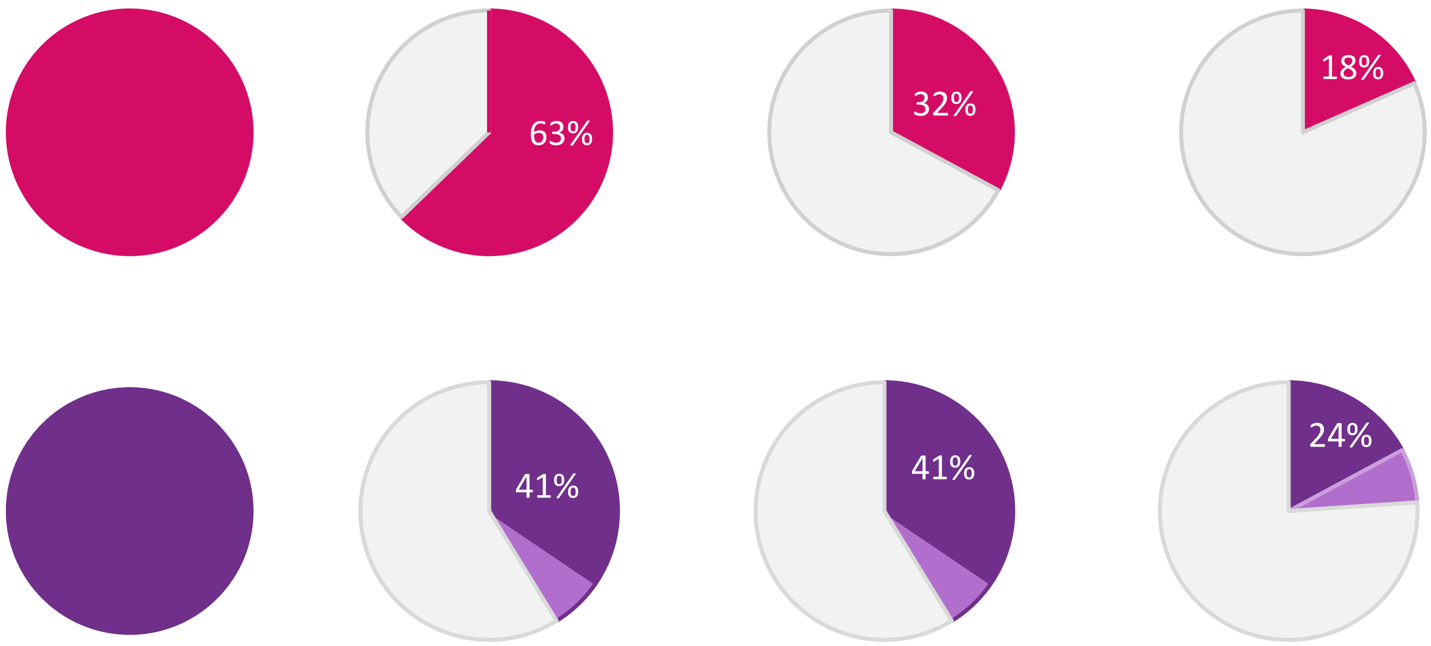
Source: *Numeris, Vividata, PHD estimates from multiple sources, Pattison, MTM, Samsung, Similarweb, Canadian Podcast Listener, Statistics Canada*

Share of Investment

	Total (Top 4 Media)	Internet (Time includes AVOD estimate)	Internet (excluding search)	Video (Time includes AVOD estimate)

Share of Ad Spend
(Top 4 Media)
$13,955 million

Share of Weekly Hours
(inc Streaming)
75



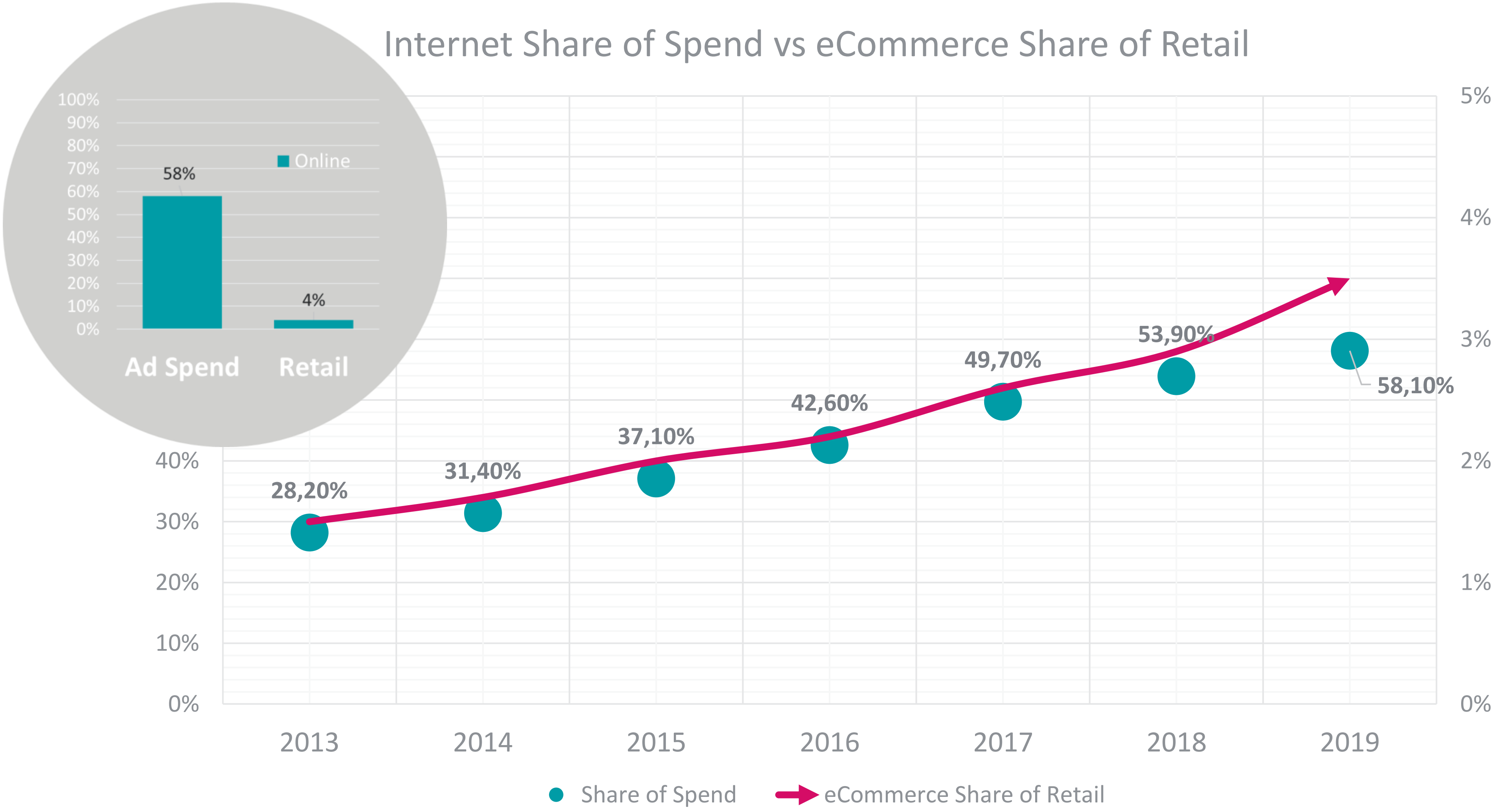
Relative to the Top 4 media (Digital, TV, Radio, Newspaper), Digital's share of spend exceeds its share of time.

This appears to be primarily driven by the strength of search. Non-Search Internet's spend is lower than its share of time. (Note, extracting search's share of time was not practical)

Video also has a lower share of ad spend than share of time.

Sources: *Think TV compilation from multiple sources, IAB Canada Revenue Report, CMUST Estimates*

The role of eCommerce



In a Marketing Week article from September 2020, Grace Kite showed the strong correlation between growth of eCommerce and growth of Digital's share of advertising in the UK.

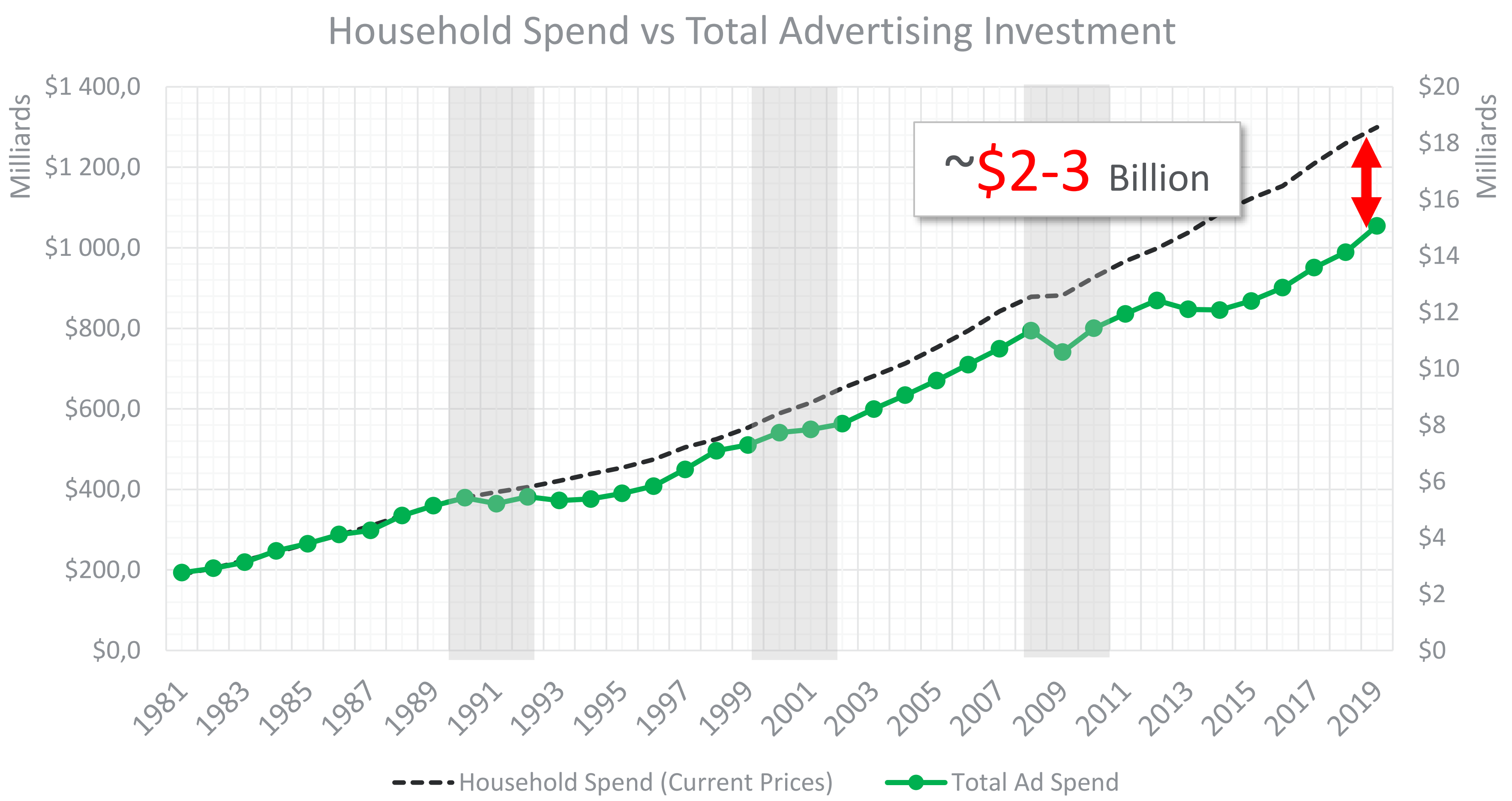
As illustrated, to the left, this pattern holds true in Canada.

The implication may be that 'path-to-purchase' media has been a significant driver of digital media adoption – and key contributor to eCommerce development.

It does suggest a worrying compression ahead as eCommerce share is expected to grow, while there is shrinking space for digital's share of advertising to expand.

Sources: *Think TV compilation from multiple sources, Statistics Canada Table 20-10-0065-01 Retail trade, total sales and e-commerce sales*

Long Term Trends



A long term view of total advertising expenditure suggests during each recessionary period Ad spend falls and slowly recovers relative to overall Household Expenditure.

The trend also suggests that the industry has not 'fully recovered' since 2008.

Sources: *Think TV compilation from multiple sources, Statistics Canada*

Sources

Device penetration	MTM Fall 2019/ Spring 2020 unless indicated otherwise as PHD estimated.
TV weekly time/reach, 2020	Numeris, Fall’19/Winter’20 (Jan-Feb) PPM averaged.
Radio weekly time/reach , 2020	Numeris, Fall’19, Diary
Internet weekly time/reach , 2020	Vividata Spring 2020
Magazine weekly time/reach , 2020	Vividata Spring 2020, generic question.
Newspaper weekly time/reach , 2020	Vividata Spring 2020, 72 daily rollup.
TV (Linear+OTT), weekly time/reach, 2020	Numeris Fall’19/Winter’20 (Jan-Feb), Samsung, MTM Fall 2019, PHD estimates
Online audio weekly time/reach	Numeris PPM Fall 2019
Podcast weekly time/reach and tuning dynamics	The Canadian Podcast Listener 2020, Audience Insights Inc., Ulster Media.
Streamed music weekly time/reach	MTM Fall 2019/Spring 2020, reduced by PHD estimate of respondent over claim.
Video Reach/Time	MTM Fall2019/Spring 2020, Vividata Metrica, PHD estimates, Numeris PPM
Share of Video Time	MTM Fall2019/Spring 2020, Vividata Metrica, PHD estimates, Numeris PPM, Samsung
Momentum	Compiled from sources used throughout document
Share of Ad Spend	Think TV compilation from multiple sources, IAB Canada Revenue Report, PHD estimates
eCommerce sales	Statistics Canada Table 20-10-0065-01 Retail trade, total sales and e-commerce sales
Time spent shares by medium	Time spent as summarized in CMUST 2020