Introduction
In this deck, we explore NBCUniversal’s latest perspectives and insights on the macro economy and its impact on advertisers. This report provides an overview of what we learned this year from the marketplace, trends we see impacting the ad industry going into 2022, and a summary of trends that will be discussed in other Industry Assessments.

Our Approach
At NBCUniversal, we utilize quantitative modeling and client conversations from across all industries to give context to broader marketplace trends. This report was created based on NBCU’s:
• Ongoing Marketplace Evaluation
• Conversations with Advertisers and Agencies
• Continual Marketplace and Economic Analysis
• Examination of Consumer Attitudes and Trends
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PURPOSE

Regardless of industry or client, this deck provides marketplace trends, and the resulting impact on ad sales.
Q1 GDP soared to 6.4%, the best growth since 1951

Travel showed encouraging signs by May, with airlines outperforming forecasts by 8%

The rapid rebound in consumer and business confidence fueled additional growth

Over $1 trillion of pent-up consumer savings propelled demand in the marketplace

Streaming subscriptions accelerated with 50% more streamers in 2020 vs. 2019

While consumption increased on streaming, 64% of time was spent on non-ad services

And digital inventory has slowed as 43% consumers use an ad-blocker online

Streaming continues to be difficult to plan inventory, with an industry 36% subscriber churn rate

2021 YEAR IN REVIEW: WHAT WE LEARNED

Using statistical methods, a bunch of data, and good old-fashioned Googling, here are four things we learned about this year’s Upfront:

1. Multicultural contribution to growth
2. Size of Scatter Market
3. Influence of Digital
In the last 9 months, Multicultural consumers outpaced white consumers 2.6x on category spending.

ex. In consumer electronics, Multicultural audiences spent 15x more incrementally per person than white consumers.
Based on a historic upfront, we project $16B will be budgeted to scatter across the total marketplace in 2022. Ex. this is projected to be 25% vs. 2020.
since 2017. More and more budgets are being directed toward digital first. 
ex. By 2020, Tubi influenced the upfront budgets across 18 categories.
**Looking Ahead to 2022: What Competitive and Market Forces Do We See Ahead**

With 93% of economists expecting strong economic growth into 2022, there will be continued demand in scatter and advertising at-large.

<table>
<thead>
<tr>
<th>Category</th>
<th>Industry(s)</th>
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<tbody>
<tr>
<td>Supply Chain Challenges</td>
<td>Auto, Retail, Tech, CPG, Telco</td>
</tr>
<tr>
<td>Small to Mid-Size Business Boom</td>
<td>Retail, Restaurant, B2B</td>
</tr>
<tr>
<td>Further reduction of unemployment rate</td>
<td>Restaurant, Auto, Insurance, Travel</td>
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<tr>
<td>An early, expansive Holiday Season</td>
<td>Retail, Tech, Telco, Travel, Financial</td>
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<tr>
<td>No cookies for Christmas</td>
<td>Restaurant, CPG, Entertainment, Retail</td>
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</tbody>
</table>

Forecasts currently do not take into account a scenario where Delta significantly impacts economy.

Source: US News National Association of Business Economists
STUCK AT SEA

$223B
Increase in cost of goods this holiday season

Industries Impacted:
Auto, Retail, Tech, CPG
NOW HIRING

$13B

For every point decrease in unemployment, advertisers have spent $13B in advertising

Industries Impacted:
Restaurant, Auto, Insurance, Travel
40% of shoppers are expected to start holiday shopping earlier this year.
For the average small business, their marketing budget during the second year is $500k. Last year, a record 7.7M small businesses were founded.

Industries Impacted:
- Tech
- CPG
- Restaurant
- B2B
CHRISTMAS WITHOUT COOKIES

$28B

of Programmatic spend goes towards 3rd party cookies, since 2017

Industries Impacted:
Apparel, CPG, Entertainment, Restaurants, Retail, Travel
ADDITIONAL TRENDS
2022 & BEYOND

A look ahead at key trends impacting how categories are going to market
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<tr>
<th>Industry Trends</th>
<th>Industry Categories</th>
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<td><strong>Sustainability</strong></td>
<td>CPG, Luxury, Restaurant, Retail, Travel</td>
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<tr>
<td><strong>Going Digital</strong></td>
<td>Alcohol, Auto, CPG, Beauty &amp; Personal Care, Finance, Insurance, Pharma, Travel, Luxury, Tech</td>
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<tr>
<td><strong>Lifestyle</strong></td>
<td>Alcohol, Auto, Beauty &amp; Personal Care, CPG, Insurance, Pharma, Travel, Telecom</td>
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<tr>
<td><strong>Multicultural</strong></td>
<td>Alcohol, Beauty &amp; Personal Care, Insurance, Luxury, Pharma, Restaurant, Finance</td>
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<tr>
<td><strong>Tech Advancement</strong></td>
<td>Finance, Retail, Travel, Telecom</td>
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<td><strong>Corporate Social Responsibility</strong></td>
<td>Alcohol, Restaurant, Retail, Pharma, Tech</td>
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