

The background of the slide is a nighttime aerial photograph of a major city's skyline, possibly New York City, with numerous skyscrapers and a dense network of illuminated streets and highways.

NBCUniversal

# The Future of Advertising: Entertainment Ads

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# Entertainment is embedded in everything we do



**70%**

the share of  
consumer spending on  
experiences relative to  
total U.S. consumer  
spending since 1987<sup>1</sup>

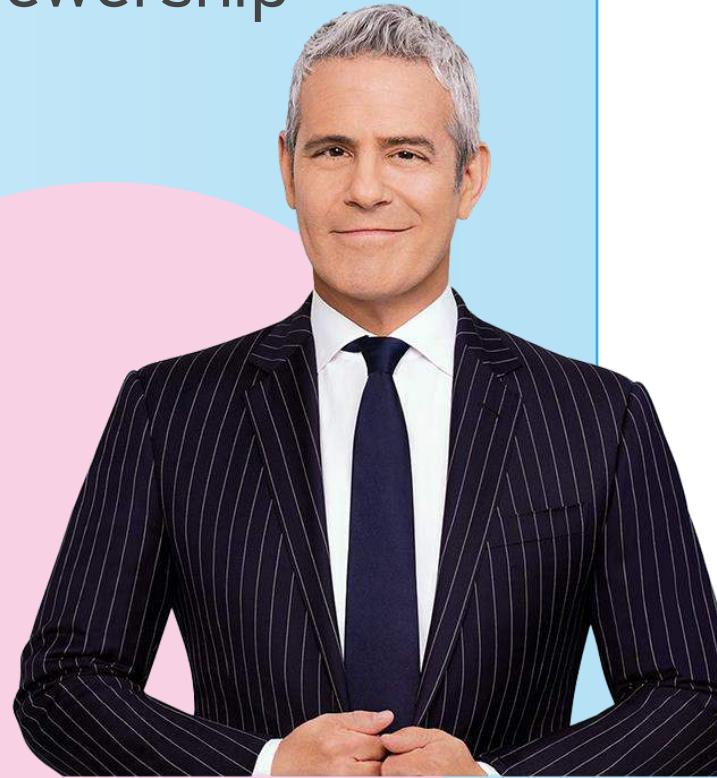
**\$42B**

spent on at-home  
entertainment in 2023,  
up 17% from 2022<sup>2</sup>

**\$61**

per month spent on  
streaming video  
entertainment services,  
up 27% from year prior<sup>3</sup>

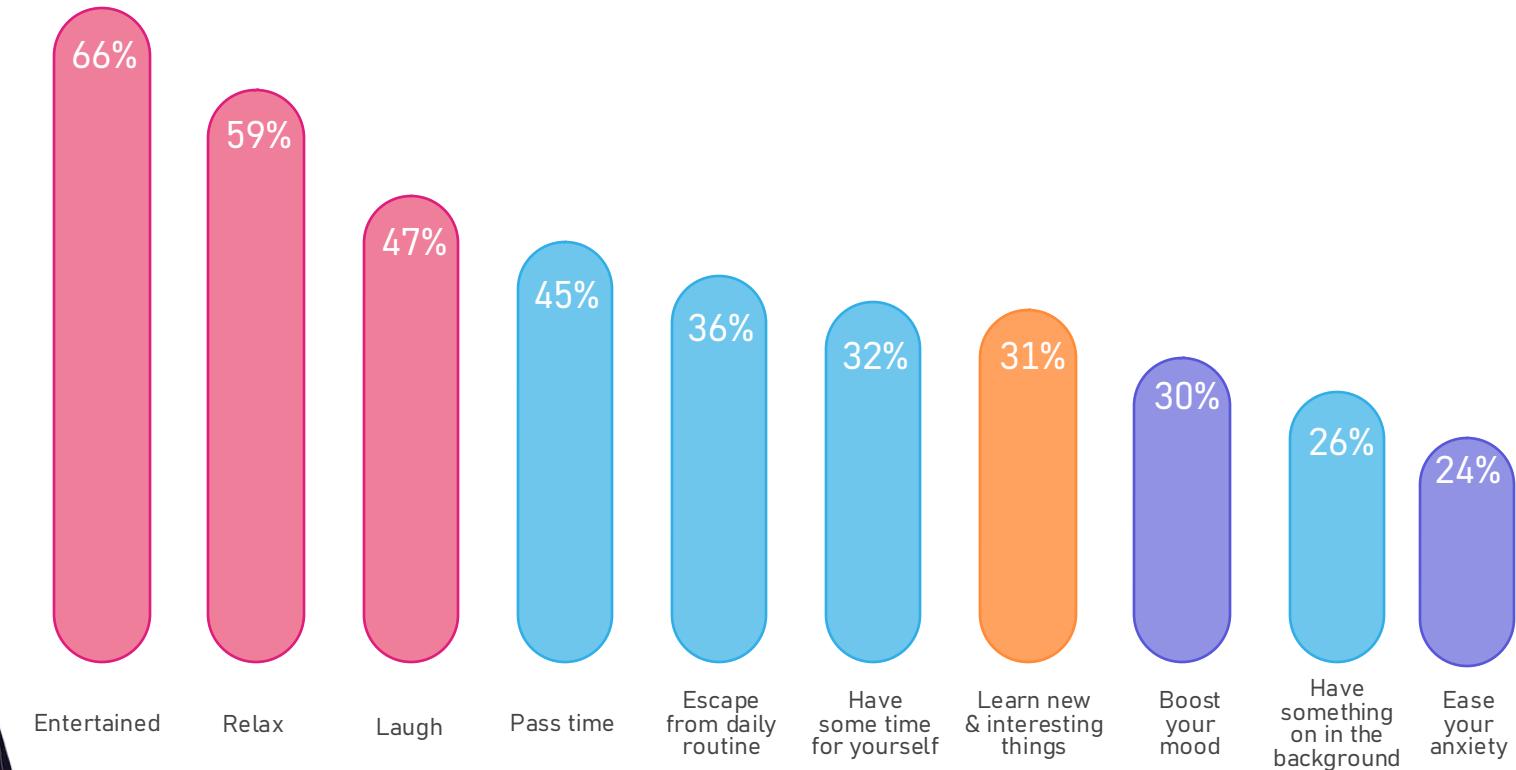
When it comes to what we watch, “to be **entertained**” is the number one driver of viewership



## Top 10 Content Viewership Drivers

*Q: Which of these are essential reasons why you watch your favorite content? (out of 20)*

● Entertainment drivers ● Escape motives ● Personal drivers ● Information motives



Source: NBCUniversal's Consumer Insights Lab/Smith Geiger: Video Motivations – Generational Study; Sample size: 5045 US adults 13y/o+ n=5045 with an estimated margin of error of ±1.4%

But what is entertainment?





In this context,

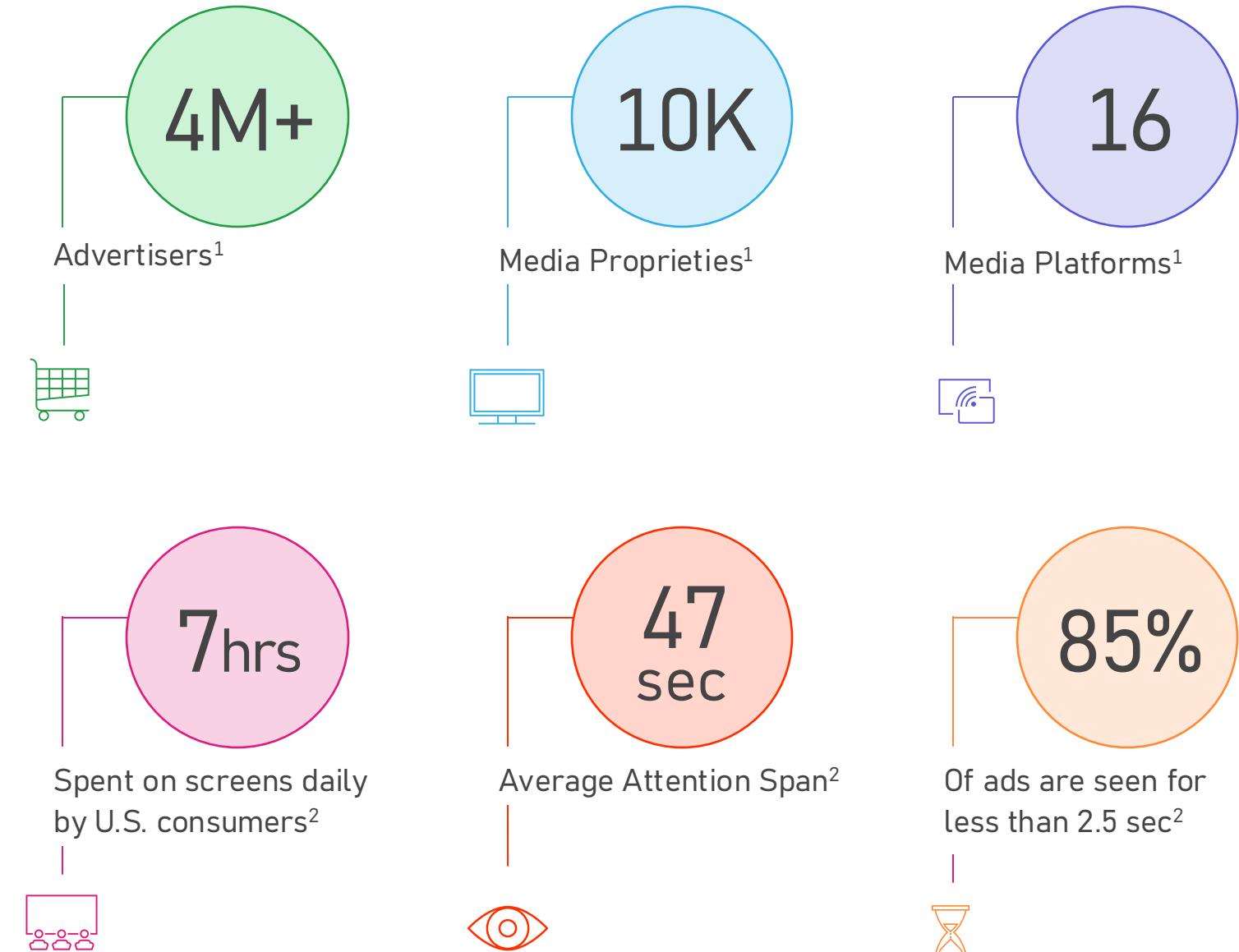
## Entertainment is

any form of content or experience that **engages** an audience, evoking pleasure, excitement, intrigue, or emotional appeal, creating a connection that **resonates & holds their attention**



With the media landscape becoming increasingly fragmented and attention spans shortening,

**engaging consumers is more difficult than ever**





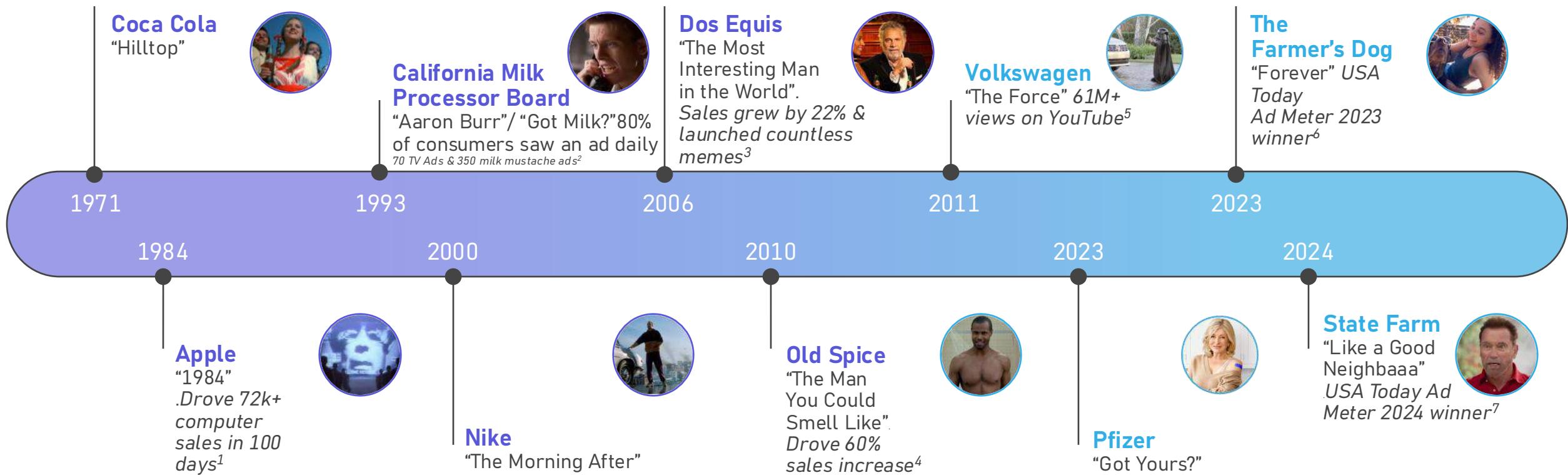
## Advertising has evolved into **a source of entertainment**

to capture people's attention

“Advertising can and often has something that people choose to consume, **as long as it's created to be entertainment**”

Paul Feldwick (author & former ad exec)

Throughout history,  
the ads we remember the most have entertained us while  
*driving brand & business impact*





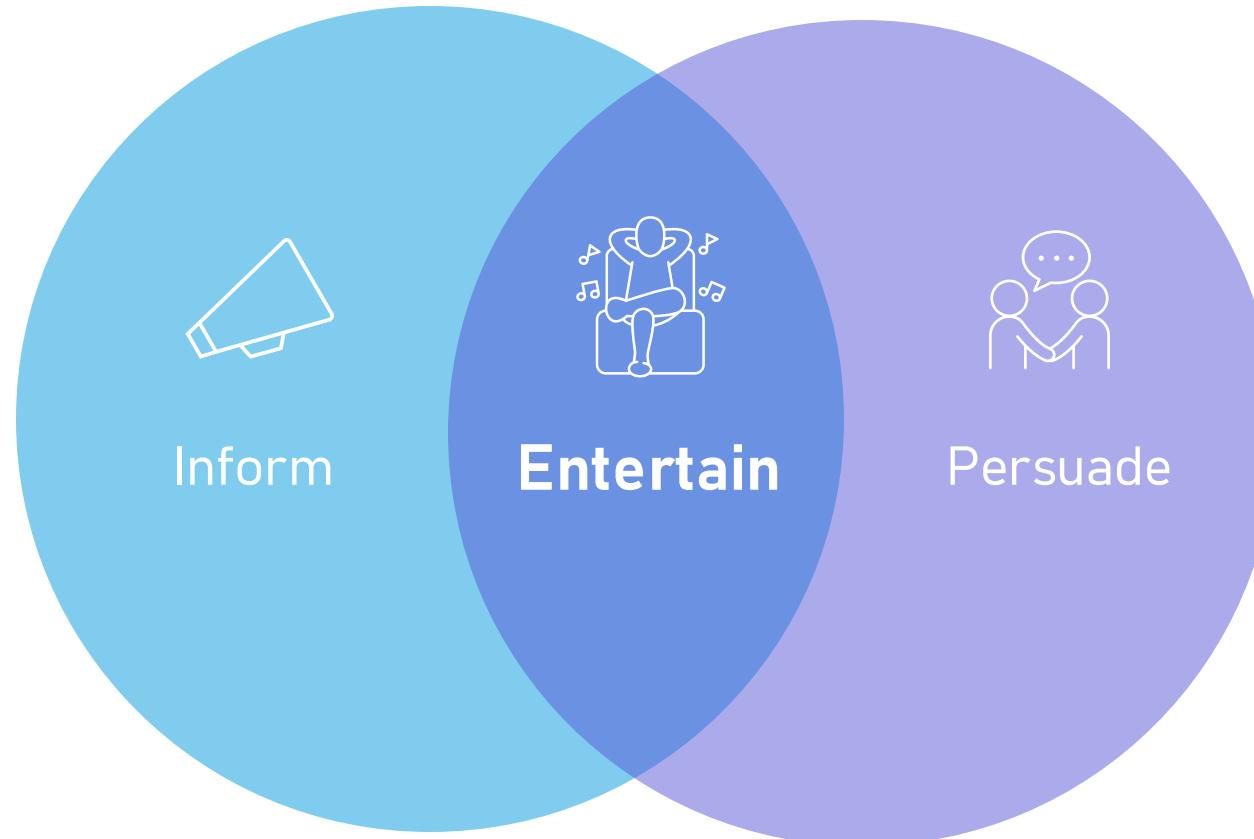
# 64%

of 2024 Super Bowl viewers reported they were looking forward to watching the commercials during the game

**The Super Bowl** has become the premier platform for brands to launch entertaining ads, often attracting almost as many viewers for the commercials as for the game itself

Impactful ads **inform** and **persuade**, but they captivate audiences the most when they also entertain

Today's Advertising Pillars



+192%

Increase in average time used for  
**“pre-information entertainment”\*** during  
commercials from the 1950s to the 2000s

\*amusing stimuli before any mention of brand, product, or related info

# Entertaining ads meet consumer expectations & become a part of culture

**73%**

of consumers globally appreciate ads that entertain them<sup>1</sup>



**84%**

of people expect brands to make content that entertains, tells stories, provides solutions and creates experiences/events<sup>2</sup>



**52%**

of Gen Z say ads that are creative and entertaining rank first among their preferred ad types<sup>3</sup>



"There aren't many ads that stick in my mind but the **Amazon ad** from last year did. It makes me laugh...I like to feel good about what I'm watching again and again, the emotions that go along with it; I guess I'm just a sap with stuff like that."

NBCU Viewer, F, 59-68<sup>4</sup>

I loved all the **Olympics ads**; they were great... *The Minions* doing the Olympics is perfect because the new *Despicable Me 4* is out and the Olympics are out...it puts everything together."

NBCU Viewer, F, 18-26<sup>4</sup>

Case in point,  
Entertaining ads drive both brand *and* business impact

**+43%**

Increase in **overall sentiment** for Target's Kristin Wiig "Target Lady" commercial vs. prior Target Circle commercial without Wiig<sup>1</sup>

**+11%**

Higher **Average Emotional Engagement** vs. Target's standard executions<sup>2</sup>

**+13%**

Higher **Purchase Intent** vs. Target's standard executions<sup>2</sup>





At NBCU, we've been capturing audiences' attention through entertainment for almost **100 Years** and partnering with advertisers the entire time



After entertaining audiences for nearly a century,  
***we have a deep understanding of what makes content compelling***



### Creates Empathy & Evokes Emotion

"The most impactful stories are the ones we see ourselves in and the ones that create empathy for others"

Steven Rummer, Head Of Ad Sales Creative, NBCU<sup>1</sup>



### Drives Culture

"We really lean into these tentpoles and we're very focused on keeping them relevant and part of the cultural conversation"

Frances Berwick, Chairman, Entertainment Group, NBCU<sup>2</sup>



### Appeals to Different Audiences

"The way we look at our slates... is almost like an investment portfolio... varied across multiple genres... appealing to all different types of audiences"

Donna Langley, Chairman, Entertainment & Studios, NBCU<sup>3</sup>



The principles that  
make a movie or TV  
show compelling can be  
*applied to advertising*



## Where it started

### From ad creative



Viral NBC Sports ad to promote the English Premiere League in 2013-2014

**22M** YT views to Date<sup>1</sup>

## How it's going

### To show content



Emmy-award winning series that launched 6 years later

**13** Emmys won<sup>2</sup>

### From show content



From the Groundlings to SNL, Kristin Wiig's Target Lady became a fan-favorite

**9** Total SNL appearances<sup>3</sup>

### To ad creative



National campaign featuring the loved character to promote Target Circle

**1B** P18+ linear impressions<sup>4</sup>  
Circle Week ad

# The Opportunity

Brands can think & behave  
more like entertainment  
companies to breakthrough &  
capture consumer attention



# Brands have already begun to embrace entertainment-led marketing

**“e.l.f. is an entertainment company that also sells makeup and skin care. Our vision is to create a different kind of beauty company by building brands that disrupt norms, shape culture and connect communities.”**

**Patrick O’Keefe**  
VP, Integrated Marketing Communications



**“Culture and entertainment are inextricably linked** and LVMH has been building culture for decades. With 22 Montaigne Entertainment, we are looking to adapt how we tell stories and connect with people.”

**Anish Melwani**  
CEO, North America

**LVMH**

**“We want to be the best thing someone sees that day...Rather than doing a repeated message, why don’t we use what we’re doing to bring something entertaining to people when we can?”**

**Andy Pearson**  
VP, Creative

**Liquid Death**

“Let’s be real: consumers are tired of traditional advertising. The question was, **how do we hack this kind of traditional advertising?** How can we disguise our message in something entertaining?”

**Adam Kornblum**  
SVP & Global Head Of Digital Marketing



# e.l.f Case Study

## Ways to Scale

### The Campaign

e.l.f. **embraced entertainment** with its “in e.l.f. we Trust” campaign, tapping into a range of entertainment franchises, celebrities, and behind-the-camera talent. The brand leveraged the **Super Bowl LVII broadcast** to successfully launch the campaign and later **scaled it across linear, digital, and social** to reach consumers, drive ROI, and prove that beauty belongs in every touchpoint of entertainment.

### The Results

**+11%**  
brand awareness<sup>2</sup>

**+15%**  
purchase consideration<sup>2</sup>

**76%**  
Q1'24 net sales growth<sup>3</sup>

\*higher for Gen Z consumers

\*higher for Gen Z consumers

### Cross-platform Amplification

#### Tentpole Launch: Super Bowl “Judge Beauty” Linear Spot

#### Talent Partnerships



Sources: 1. e.l.f. Beauty. 2. Morning Consult Consumer Sentiment Results between 2/12/2024 and 5/12/2024 vs. same period last year. 3. e.l.f. Beauty Annual Report. 4. MediaRadar

NBCUNIVERSAL



Display



OLV



Premium  
Streaming



TikTok



Snapchat



Snapchat



Instagram

# Brands can execute entertainment-led marketing a variety of ways

Ads designed to engage and evoke the audience with the **main goal of capturing attention**



Delivering emotionally compelling narratives and visually engaging content through "**more traditional commercials**" that captivate audiences and foster strong emotional connections.

Ads **woven into** entertaining content



**Integrating** into contextually relevant content and being a natural part of the show, brands can demonstrate their products and build consumer trust.

Ads **designed to serve as standalone** entertainment, providing content on their own



Developing **branded content** that consumers can organically seek out purely for entertainment value, which in turn halos back to the brand.

Entertaining content that is **directly or indirectly a vehicle for advertising**



Creating **cinematic universes** around their IP (Lego, Super Mario Bros., Mattel, etc.), brands can supercharge their entrance into the zeitgeist

# The perception is that today's industry is more focused on technology than creativity

## Technology

How AI is Revolutionizing Content Marketing Strategies

**Inc.**

How Blockchain Is Revolutionizing Trust in Digital Advertising

**Forbes**

It's not sufficient to be creative says Sir Martin Sorrell on the ad industry in the age of AI

**ad0bomagazine**  
the word on creativity

## Creativity

Mira Murati and David Droga on why creatives should- and shouldn't – worry about AI

**FAST COMPANY**

Creativity Still Matters- Even in an Increasingly Derivative Ad Industry

**Ad Age**

Is digital killing creativity in advertising? This panel thought so

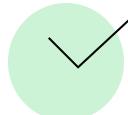
**The Drum**



Entertainment  
needs to play  
a co-starring  
role in  
advertising,  
along with  
technology

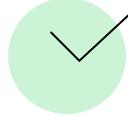
 **51% of companies  
with a CMO**

are piloting or evaluating  
large language models  
(LLMs)

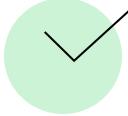
 **81% of digital  
ad revenue**

projected to come from  
next-level programmatic  
advertising by 2028

 **90% of brands**  
combining traditional  
marketing & AR saw **3X**  
the brand lift at **-59% cost**

 **Generative >  
Generic Creativity**

Large data sets generate  
amusing text, video and  
visuals inspired by **info from  
consumers' fandoms**; not  
stock imagery.

 **Content with  
Context**

Contextual data, like  
emography, can **segment  
audiences by viewing habits**,  
deploying ads to the right  
person at the right time.

 **Immersive  
Storytelling**

Life-like ad integrations  
shift visual POVs, blending  
with fantasy to transport  
viewers into **layers of  
world-building**.

# In reality, advertising will strike a **balance** between art & science

Ads doubling as entertainment will be the breakout (+ breakthrough) stars of the future

 Why brand-funded programming is the future of TV entertainment

## DIGIDAY

Madison Avenue & Hollywood get closer, with marketers more 'open to bigger investments' in entertainment

### *"Future of" Advertising Press Coverage in 2024*

**37%**

of **144,000+** pieces of coverage mentioned the use of **emerging tech**; especially LLM and machine learning

**37%**

of those publications mention **creativity, like entertainment**, amounting to the same proportion of "tech talk"



“In a world in which lazy, superfluous, and stupid no longer cut it, **advertising will have no choice but to compete as primary content**, not secondary intrusion. It will become the thing, not the thing that sells the thing.”

**Andrew Essex,**

The End of Advertising: Why It Had to Die, and The Creative Resurrection to Come

For its 50<sup>th</sup> Anniversary,  
**Saturday Night Live** convinced advertisers to  
**'Let Go Some of the Control'** in creating content that was authentic  
to both the show and partner brands to entertain our audience



"We're willing to  
be the butt of  
everyone's jokes.  
It's very easy to  
make fun of makeup"

- Jessie Feinstein,  
SVP of Marketing at

MAYBELLINE  
L'ORÉAL

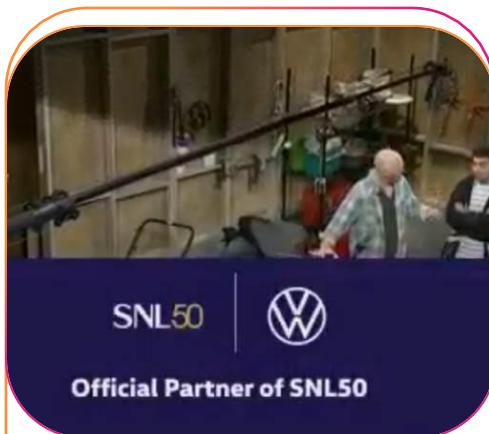


T-Mobile released an  
ad featuring Kenan  
Thompson & Marcello  
Hernández performing  
a rap written by none  
other than Colin Jost



"We try to fit well into an  
existing experience or  
environment...SNL 50, was the  
right opportunity to make a  
leap and try something new...  
put ourselves in a position  
where we were a little  
uncomfortable in a good way."

- Dave Marsey, SVP,  
Media & Growth Marketing



Volkswagen gave  
college football  
viewers a  
**sneak peek**  
at SNL's dress  
rehearsal



Ana Gasteyer and  
Molly Shannon  
reprised their  
**"Delicious Dish"**  
roles in a new  
ad for



# Top 4 ways for brands to create and scale entertaining ads with NBCU



## Harness the power of storytelling & custom content expertise

Leverage NBCU's storytelling expertise to create captivating narratives that resonate with your audience, evoke emotion, and authentically reflect your brand's commitment to meaningful connections.



## Tap into iconic content & influential talent

Align with NBCU's recognizable IP, influential talent, and cultural moments/events to entertain and spark conversations amongst your audience.



## Drive engagement with ad innovations

Deliver highly relevant, interactive Ad Innovations that seamlessly integrate into content and foster audience interaction with dynamic ad formats such as quizzes and polls.



## Integrate creative testing & measurement insights

Harness proprietary insights and custom research capabilities from NBCU to optimize your creative for emotional resonance and impact based on biometric or performance signals.

# Custom content & storytelling

Excellence and value combined with data-driven solutions and unparalleled distribution

A seamless extension of your creative capabilities and the ability to work with your teams in a variety of ways

## NBCU Custom Content Impact

+30% +39%

Brand Recall

Brand Opinion



# Our Peacock ad innovations are driving *engagement* & *impact*

## The Impact of Ad Innovations

+18% Brand Awareness

+51% Consideration



### Spotlight Ad

Buffalo Trace Distillery leveraged a Spotlight Ad to maximize reach and scale during a key marketing season for their brand.

**90%+**

Reach of Sponsored Day's Viewers



### Pause Ad

To promote "My Hut Box," Pizza Hut thought outside of the box and leveraged Pause Ads to capture attention in an out-of-pod experience.

**+21%**

Pause Ad - Ad Likeability Benchmark vs. Standard Midroll



### Engagement Ad

Featuring multiple book titles is a key feature of driving conversions for Audible. By using the Engagement Ad, they were able to show titles in an interactive gallery alongside their creative.

**+125%**

Engagement Ad- Interaction Rate Benchmark vs. Industry Norms

# Different ways to align your brand with NBCU content & IP

click thumbnails to see more



## The Power of Live

Exclusive custom created spots showcasing the Rockettes favorite moments through the lens of Google Pixel 8.



## Fueling Conversations

Reinventing the fan and dining experience moments before kickoff with custom open, signage and more!



## The Power of Fandom

Cross platform partnership across WWHL and BravoCon with Bravo-lebrity, Lisa Barlow having everyone saying, "I love that!"



## Cultural Relevancy

Tapping into the love of food with a Latin twist on an Asian favorite. This cross-portfolio campaign leveraged talent to promote Kung Fu Panda 4, reaching a multicultural audience.



## Leveraging Talent & Our IP

Leveraging NBCU & Olympic talent for custom spots to tease the Olympic games and Delta partnership across the portfolio



## Emerging Audiences

Inspiring Gen Z through live concerts and integrations across our IP, NBCU spotlit the possibilities unlocked by joining the U.S. Army.

# Maximize the performance of your ads with NBCU's proprietary **Ad Creative Engine**

Leverages AI, machine learning & statistical models to understand historical ad performance data.  
Test creative or ad concepts prior to airing to optimize toward KPIs or campaign goals

SUPER BOWL  
**LX**  
741 ads from  
11 Super Bowls



**GOLF**

10.3k ads from  
124 PGA TOUR Events



MILAN CORTINA  
2026  
OLYMPICS

2,579 ads from  
5 Olympic Games



**peacock!**

600 ad innovation  
creative executions over 3 yrs



# Thank You



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