Winning Local Media Series
January 25, 2022 at 1:00 pm EST
Welcome! Thank You for Joining Us

Today’s Discussion

- Expectations for 2022
- Share of Ad Wallet in 2022
- Analysis on Shifts to Digital
- Winning Local Media: Finance, Retail, Leisure, Auto, Political
- **2022 Local Digital Event Series**: 5 webinars planned for this year. Got verticals you want us to cover? Email us at webinars@bia.com.

HOST: Audrey Strong
VP Communications, SalesFuel

C. Lee Smith, Founder & CEO SalesFuel

Tom Buono, CEO & Founder
BIA Advisory Services
Expectations for 2022

- 2021 was a bounce back year following a devastating 2020.

- After taking all continuing COVID effects into consideration, BIA estimates $173.3 Billion in total local advertising in 2022.

- This estimates is an increase of $17.8 Billion (11.4%) from 2021.
Shift to Digital Advertising Continuing

- Traditional advertising is projected to grow $8.3 Billion or 10.4% from 2021.
- Digital is projected to grow $9.5 Billion or 12.5%.
- Digital is closing the gap on Traditional and projected to surpass Traditional in 2023.

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
</tr>
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<tbody>
<tr>
<td>Traditional</td>
<td>$79,745,062</td>
<td>$88,047,609</td>
</tr>
<tr>
<td>Share of total</td>
<td>51.3%</td>
<td>50.8%</td>
</tr>
<tr>
<td>Digital</td>
<td>$75,722,877</td>
<td>$85,211,031</td>
</tr>
<tr>
<td>Share of total</td>
<td>48.7%</td>
<td>49.2%</td>
</tr>
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</table>

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Trend Continues: Digital Continues to Grow through 2026

### 2022 Share of Wallet

**Traditional** 50.8%
**Digital** 49.2%

<table>
<thead>
<tr>
<th>Traditional Media 2022 to 2026 CAGR</th>
<th>Digital Media 2022 to 2026 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out of Home 4.0%</td>
<td>TV OTT 14.3%</td>
</tr>
<tr>
<td>Direct Mail 2.1%</td>
<td>PC or Laptop 11.8%</td>
</tr>
<tr>
<td>TV OTA 0.6%</td>
<td>Magazines Digital 9.8%</td>
</tr>
<tr>
<td>Radio OTA 0.0%</td>
<td>Radio Digital 9.6%</td>
</tr>
<tr>
<td>Cable TV -2.9%</td>
<td>Mobile 9.5%</td>
</tr>
<tr>
<td>Newspapers Print -3.0%</td>
<td>TV Digital 7.0%</td>
</tr>
<tr>
<td>Magazines Print -9.8%</td>
<td>Email 6.8%</td>
</tr>
<tr>
<td>Print YP -19.0%</td>
<td>Internet YP 4.6%</td>
</tr>
<tr>
<td><strong>Traditional</strong> 0.7%</td>
<td>Newspapers Digital 3.6%</td>
</tr>
<tr>
<td><strong>Digital</strong> 10.0%</td>
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</tr>
</tbody>
</table>

**Total Local Advertising 5.6% CAGR**

**2026 Share of Wallet**

**Traditional** 42.1%
**Digital** 57.9%

CAGR = Compound Annual Growth Rate

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
PC/Laptop – One of the Fastest Growing Media

- Together, BIA and SalesFuel cover 500+ categories (some overlap).
- PC/Laptop is projected to have a CAGR* of 11.8% through 2026. Behind only TV OTT (CAGR* +14.3%).

<table>
<thead>
<tr>
<th>Vertical</th>
<th>PC/Laptop 2022-2026 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>18.0%</td>
</tr>
<tr>
<td>Leisure</td>
<td>15.6%</td>
</tr>
<tr>
<td>Retail</td>
<td>13.0%</td>
</tr>
<tr>
<td>Financial/Insurance</td>
<td>11.6%</td>
</tr>
<tr>
<td>Political</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

Today we are going to dive into Verticals with the Highest PC/Laptop CAGR’s* and/or verticals with strong local implications in 2022 + Political

- Financial/Insurance (Consumer Lending & Mortgages)
- Retail (Lawn & Garden Equipment & Supply Stores)
- Leisure (Fitness & Recreational Sports Centers)
- Automotive (Tier 3 – New)
- Political

PC/Laptop: All revenues generated by online companies selling locally targeted advertisements to be displayed on a PC/laptop. These advertisements could be sold by local pure-play online companies, or national companies selling geo-targeted advertising. Includes search, display and classified/vertical advertising. Search includes dollars spent on online local inquiries with search engine sites.

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021

*CAGR = Compound Annual Growth Rate
Vertical Analysis

Financial/Insurance Vertical:
Consumer Lending & Mortgages
Financial/Insurance 2022 Alerts

In 2022
Financial/Insurance Vertical Predicted to Spend

$24.7B

$13.1B will go to Digital Advertising

Share of Wallet Snippets

- 22.3% Direct Mail
- 17.5% PC/Laptop
- 9.8% RADIO OTA
- 6.5% TV OTA

Financial/Insurance vertical includes:
- Auto & Direct Property Insurance
- Commercial Banking
- Consumer Lending & Mortgages
- Credit Cards
- Direct Health and Medical Insurance Carriers
- Direct Life Insurance Carriers
- Insurance Agencies and Brokerages
- Investment & Retirement Advice
- Saving/Credit Institutions

* BIA ADVantage clients can run local alert reports in the platform. See “Vertical Alerts” in the Market Reports area.
Sub-Vertical: Consumer Lending & Mortgages

Yearly Spend and Share of Wallet

**Consumer Lending & Mortgages Spend**

$3.0B

In local advertising in All TV Markets.

- **Top 3 Media Channels:**
  - Mobile: 28%
  - Direct Mail: 21%
  - PC/Laptop: 19%

Source: BIA ADVantage and U.S. Local Advertising Forecast 2022, Issued Dec. 2021

Strategic Idea: Offering mobile apps and financial management tools could entice new business, especially Millennials.
Industry Trends+Forecasts: Consumer Mortgages

Tactical Takeaways for media sales professionals

▪ Fed is expected to increase interest rates in 2022.
▪ Major opportunity to target millennials while rates are low. Will make up **32%** of market by 2025. Most likely to buy townhouses and pre-owned houses.
▪ Refi applications were lower in 2021, but still make up **60%** of the mortgage market.
▪ Growth in reverse mortgages expected to continue with older demographics.

SOURCES: AdMall.com, SalesFuel analysts, NAR, CNBC, Wall Street Journal, and BankRate.com
Consumer Trends: Mortgage Refinancing Clients

- **4.7%** of consumers plan to buy a large or smaller home in the coming year.
- **Mortgage Refinancing Clients** are **26% less likely** to go past the first page of search results (24% of audience in 2021).
- They are more than **2x** as likely to read a blog every day.
- **48%** of refi clients have taken action after seeing an ad on TV (OTA or cable) in the past 30 days.

SOURCE: 12th annual AudienceSCAN® study of U.S. consumer behavior [n= 18,900 adults online]
Media Sales Tactics: Mortgage Companies

Tactical Takeaways for media sales professionals

- **Local brokers need to improve their digital customer experience** as consumers are increasingly finding their lenders online.

- **Local brokers need to advertise aggressively** to compete with credit unions, online lenders and alternative financing options.

- **OTT and social media** generate high response with young, first-time home buyers.

- **TV OTA and print media** generate high response with reverse mortgage candidates.

- **Use AdMall’s Local Market Housing data for lender, customer insight.**
Questions on Financial/Insurance?

Please enter your question into the control panel.

If we don’t answer your question during the webinar, we will answer via email after the webinar.
Vertical Analysis

Retail Vertical:
Lawn & Garden Equipment and Supply Stores
Retail Vertical 2022 Alerts

In 2022 Retail Vertical Predicted to Spend

$24.4B

$9.5B will go to Digital Advertising

Share of Wallet Snippets

16.6% PC/Laptop
13.9% Mobile
7.8% TV OTA
6.4% Radio OTA

Retail vertical includes:
- All Other General Merchandise Stores
- Book Stores
- Clothing Stores
- Department Stores
- Discount Department Stores
- Electronic Stores
- Floor Covering Stores
- Furniture Stores
- Gift, Novelty, and Souvenir Stores
- Hardware Stores
- Hobby, Toy, and Game Stores
- Home Centers
- Jewelry, Luggage, and Leather Goods Stores
- Lawn and Garden Equipment and Supplies Stores
- Mattress and Sleep Centers
- Office Supplies and Stationery Stores
- Other Home Furnishings Stores
- Paint and Wallpaper Stores
- Pet Supplies Stores
- Shoe Stores
- Sporting Goods Stores
- Warehouse Clubs and Supercenters

* BIA ADVantage clients can run local alert reports in the platform. See “Vertical Alerts” in the Market Reports area.

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Sub-Vertical: Lawn & Garden Equipment and Supply Stores

Yearly Spend and Share of Wallet

Lawn and Garden Equipment and Supplies Stores Spend

$1.1B

In local advertising in All TV Markets.

Top 3 Media Channels:

- Direct Mail: 39%
- PC/Laptop: 17%
- Mobile: 14%

Strategic Idea: Help your lawn & garden equipment and supplies stores stand out from the crowd of national brands by promoting their local origins.

Source: BIA ADVantage and U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Industry Trends + Forecasts: Outdoor Power Equipment

Tactical Takeaways for media sales professionals

- Inventory and supply chain challenges mean owners want their old equipment repaired and serviced.
- The stand-on mower category is expected to be a sales booster in 2022.
- **CA** has banned gas-powered mowers and leaf blowers. **NY** and **IL** are considering.
- Electric expected to be up to **50%** of the walk-behind rotary mower market by 2026.
- May, June and July are the peak sales months, but ads often start in **March**.

**SOURCES:** AdMall.com, SalesFuel analysts, OEM Off-Highway, OutdoorPowerEquipment.com,
Consumer Trends: Outdoor Power Equipment Shoppers

- 9.7% of consumers plan to buy outdoor power equipment in the coming year.
- 17% of OPE Shoppers plan to attend a home or garden show.
- OPE Shoppers 83% more likely after seeing out-of-home advertising in the past 30 days.
- 69% have taken action after seeing a direct-response ad in their mailbox during the past 12 months.

SOURCE: 12th annual AudienceSCAN® study of U.S. consumer behavior [n= 18,900 adults online]
Media Sales Tactics: OPE Dealers

Tactical Takeaways for media sales professionals

- **Advertise service/repair, quality of merchandise** to help local dealers compete with big-box home improvement centers.

- **Have strong working knowledge of available co-op advertising programs** as 51% of OPE dealers spend less than $500 out-of-pocket/month on marketing.

- **Keep an eye on promotional financing offers, new products** that need to be advertised locally.

- **Q: What % of your sales come from commercial accounts?**

- **Use AdMall’s Co-op Advertising database and Limited-Time Opportunities for ongoing opportunities.**
Questions on Retail?

Please enter your question into the control panel.

If we don’t answer your question during the webinar, we will answer via email after the webinar.
Vertical Analysis

Leisure Vertical:
Fitness and Recreational Sports Centers
Leisure Vertical 2022 Alerts

In 2022 Leisure Vertical Spends

$14.1B

$7.3B will go to Digital Advertising

Share of Wallet Snippets

- 17.1% PC/Laptop
- 11.7% OOH
- 11.6% Direct Mail
- 11.0% TV OTA

Leisure vertical includes:
- Airport, Cruises, and Other Travel
- Amusement Parks and Arcades
- Fitness and Recreational Sports Centers
- Gambling and Lotteries
- Motion Picture and Video Exhibition
- Museums, Historical Sites, and Other Venues
- Online Gambling
- Other Amusement and Recreation Industries
- Performing Arts Companies
- Spectator Sports
- Tourism and Travel Services
- Traveler Accommodation: Hotels-Motels

* BIA ADVantage clients can run local alert reports in the platform. See “Vertical Alerts” in the Market Reports area

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Sub-Vertical: Fitness and Recreational Sports Centers

Yearly Spend and Share of Wallet

Fitness and Recreational Sports Centers Spend

$1.1B

In local advertising in All TV Markets.

- Top 3 Media Channels:
  - Mobile: 27%
  - PC/Laptop: 19%
  - OOH: 13%

Strategic Idea: Help them extend their advertising with franchise support. TV is the top medium for recall among fitness enthusiasts - those that go 3-5 times a week to a gym or health club.

Source: BIA ADVantage and U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Industry Trends+Forecasts: Fitness Clubs

Tactical Takeaways for media sales professionals

- **Nearly 40%** of American Adults never exercise. **MS and TN** are the least active. **MN and CA** are the most active.

- **Franchise owners** may have several locations in one market, and they may own more than one brand which means they could have a large ad budget.

- Online fitness apps are a major threat to budget clubs (under $25/month).

- Many Americans are expected to return to clubs and classes from their at-home equip.

SOURCES: AdMall.com, SalesFuel analysts, IHRSA, Gymless.com, ClubIndustry.com,
Consumer Trends: Gym/Health Club Switchers

- 9.2% of adults **plan to switch to a different gym/health club** in the next year.
- 21% of potential switchers go to the gym/classes twice a week.
- They are **69% more likely** to need at least 15 recent online reviews to influence their decision.

SOURCE: 12th annual AudienceSCAN® study of U.S. consumer behavior [n= 18,900 adults online]
Tactical Takeaways for media sales professionals

- **Target Adults 45 and under** as they make up 80% of specialty fitness club members in the U.S.
- Promote the advantages of in-club classes vs at-home classes.
- Include advertising on mobile phones and social media as 50% potential club switchers have taken action after seeing ads there in the past 30 days.
- Recommend reputation management services to improve quantity, quality of online reviews.
- **Q:** Are free first-time classes or drop-in classes available?
- Use AdMall’s Local Healthcare Needs for more customer insight.
Questions on Leisure?

Please enter your question into the control panel.

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Vertical Analysis

Auto Vertical: Tier 3 – New Car Dealers
Automotive Vertical 2022 Alert

In 2022 Automotive Vertical Spends

$13.9B

$7.7B in Digital Ad Spend for 2022

Share of Wallet Snippets

20.3% TV OTA
18.3% Mobile
8.4% RADIO OTA
5.2% News Print

Automotive vertical includes:
Other Motor Vehicle Dealers
Tier 1 - Automotive Manufacturers,
Tier 2 - Automobile Dealers Association
Tier 3 - New Car Dealers
Tier 3 - Used Car Dealers, Tires
Automotive Parts and Accessories Stores,
Automotive Repair Services
Gas Stations & Petroleum

* BIA ADVantage clients can run local alert reports in the platform.
See “Vertical Alerts” in the Market Reports area

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Sub-Vertical: Tier 3 – New Car Dealers

Yearly Spend and Share of Wallet

Tier 3 - New Car Dealers

Spend

$3.7B

In local advertising in All TV Markets.

Top 3 Media Channels:

- PC/Laptop: 27%
- Mobile: 19%
- TV OTA: 16%

Strategic Idea: 71% of vehicle shoppers use mobile during the purchase process. 71% of consumers would consider watching a video on a mobile device to explore vehicle models and features.

Source: BIA ADVantage and U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Industry Trends+Forecasts: Auto Dealerships

Tactical Takeaways for media sales professionals

- There will be fewer manufacturer incentives in 2022 due to tight supply. Projected average of $1,598 per vehicle in December 2021, down from $2,291 from a year ago.

- Some brands’ co-op plans now cover the advertising of certified pre-owned vehicles: Audi, BMW, GM, Mini, Subaru, Ford

- Improved inventory expected in Second Half of 2022. Sales of 16m vehicles expected in 2022, up 1m from 2021.

- The driveway is the dealership. Online buying apps are becoming more significant.

SOURCES: AdMall.com, SalesFuel analysts, The Detroit Bureau, and Cox Automotive
Audience Trends: Auto Shoppers

- Up to **20%** of consumers plan to **purchase a new car or truck this year**
- **11.5%** of new vehicle shoppers are now including **electric cars** in their purchase consideration
- **34%** of all vehicle owners prefer dealership service centers to general repair shops.

SOURCE: 12th annual AudienceSCAN® study of U.S. consumer behavior [n= 18,900 adults online]
Dealers should be touting their service departments to generate revenue in the near term.

90% of car shoppers now start their buying process online - help dealerships to remind buyers of value they provide.

Reputation management is critical for dealers AND their salespeople.

Combine digital with traditional advertising – which still influences purchase decisions as much as digital.

Use AdMall’s Automotive Brand reports for dealer, customer insight.
Questions on Automotive?

Please enter your question into the control panel.

If we don’t answer your question during the webinar, we will answer via email after the webinar.
Vertical Analysis

Political Vertical: Big Expectations!
In 2022 Political Sub-Vertical Spends

$8.4B

$1.9B in Digital Ad Spend for 2022

Share of Wallet Snippets

- 13.4% Cable TV
- 12.2% PC/Laptop
- 44.2% TV OTA
- 5.0% Radio OTA

* BIA ADVantage clients can run local alert reports in the platform. See “Vertical Alerts” in the Market Reports area

Source: BIA U.S. Local Advertising Forecast 2022, Issued Dec. 2021
Political Moderates in the U.S.

- 35% of U.S. adults are ideological moderate (Gallup). 20% of registered Republicans and 35% of registered Democrats.
- 30% vote in every election
- 33% regularly watch their local evening news
- 32% more likely to rely on traditional media for their news.
- More likely to support these causes than the average adult: education/literacy, health/disease research, the environment.

SOURCE: 12th annual AudienceSCAN® study of U.S. consumer behavior [n= 18,900 adults online]
Questions on Political?

Please enter your question into the control panel.

If we don’t answer your question during the webinar, we will answer via email after the webinar.
Additional Data Available

Local Account Reports
- Mortgage Companies
- Banks, Regional and National
- Banks, Community
- Consumers Lending Services
- Credit Unions
- Health Clubs/Fitness Centers
- Auto Dealers
- Political Organizations
- Outdoor Power Equipment Retailers

Consumer Spending
- Mortgage interest
- Cash contributions to political organizations
- Outdoor equipment
- New cars
- New trucks
- Social, Recreation, Civic Club Membership Fees

Audiences
- Second Home Shoppers
- Mortgage Broker Clients
- First-Time Home Buyers
- Home Buyer (larger or smaller primary home)
- New Car/Truck Shoppers
- Used Car Shoppers
- Luxury Car Shoppers
- First-Car Buyers
- Sports Car Shoppers
- Fitness/Gym Club Members
- Specialty Fitness Club Members
- Potential Gym/Health Club Switchers
- Outdoor Power Equipment Shoppers
- Political Moderates
- Independent Voters

Local Vertical Ad Reports
- Automotive
- Finance
- Retail
- Political
- Vertical Alerts

NOTE: Get full list of all sub-verticals covered in BIA's U.S. Local Ad Forecast on the opening slide for each vertical section covered in this presentation.

Local Vertical Forecasts
- Political 2022
- Online Gambling
- Share of Wallet Comparisons

Strategies
- Vertical Alerts for 96 sub-verticals showing share of wallet across top media channels and local sales strategies
Get local market data, insights and strategies from BIA ADVantage - the leading advertising intelligence platform.

With BIA ADVantage, clients are successfully

- **Sizing** local market opportunities,
- **Developing** effective sales campaigns,
- **Improving** budgeting and, most importantly,
- **Growing** local revenue.

**Request a demo:** advantage@bia.com. Mention you attended today’s webinar to receive special subscription pricing.

**Quick Links**
- Client login: [https://advantage.bia.com/](https://advantage.bia.com/)
NEW!

Social media advertising on Facebook and Instagram

Added to AdMall’s Digital Audit this month

admall.com
NEW Sales Builder Badges

SPECIAL DATE!
JANUARY 27, 2022
4pm ET / 1pm PT
Get Mindset Profiles for 2 Salespeople FREE

TeamTrait
HIRE | OPTIMIZE | RETAIN
TeamTrait.com
Questions & Comments:

Audrey Strong  
VP Communications, SalesFuel  
astrong@salesfuel.com

Tom Buono  
CEO & Founder, BIA Advisory Services  
advantage@bia.com
Definitions of Traditional Media Platforms

- **Cable Television**: All revenues generated by local cable systems for sale of time to either national or local advertisers on all of their aired networks. Does not include any advertising sold by national cable networks.

- **Direct Mail**: All revenue spent (including postage and production) by direct mail local and direct mail national advertisers in promoting their products/services through printed mailings and catalogs. The average split of national/local is 90/10.

- **Directories**: All revenues generated by local directory companies for their printed and digital/online listings.

- **Magazines Print**: All revenues generated by local market magazines from either national or local advertisers from their print editions. Does not include any advertising generated by magazines with a national subscriber base.

- **News Print (Previously called Newspapers Print)**: All revenues generated by local daily and weekly newspapers from national and local advertisers from their print editions. Does not include any revenue generated from subscriptions.

- **Out-Of-Home (OOH)**: All revenues generated from sale of advertising in locations outside of homes. Includes traditional billboards, digital billboards, digital signage, taxi cabs, and digital cinema.

- **Radio Over-the-Air (OTA)**: All revenues generated by local radio stations for sale of time to either national or local advertisers from their over-the-air broadcasts. Does not include any advertising sold by the national radio networks.

- **TV Over-the-Air (OTA)**: All revenues generated by local television stations for sale of time to either national or local advertisers. Does not include any advertising sold by the over-the-air national networks, nor any retransmission consent revenues generated by these local television stations.
Definitions of Digital Media Platforms

- **E-Mail**: All revenues spent by national and local advertisers in e-mail solicitation.

- **Magazines Digital (Previously called Magazines Online)**: All revenues generated by local market magazines from either national or local advertisers from their digital activities. Includes the share retained by local magazines after reselling other online platforms (e.g., Google AdWords). Does not include any advertising generated by magazines with a national subscriber base.

- **Mobile**: All revenues generated from advertising on mobile devices and targeted devices are Phones, tablets. This includes in-app advertising as well as mobile web and messaging advertising. Formats include display, search, SMS, video and native social advertising (i.e., BIA Facebook news feed ads).

- **News Digital**: All revenues generated by local daily and weekly newspapers from national and local advertisers from their online editions. Includes the share retained by local newspapers after reselling other online platforms (e.g., Google AdWords). Does not include revenues generated from subscriptions.

- **Over The Top (OTT)**: OTT advertising is local targeted advertising included on streaming video delivered to TV sets via Internet connections and includes both IP set top boxes that receive signals from digital video ad servers (and widgets on them) as well as USB and HDMI multimedia devices.
Definitions of Digital Media Platforms

▪ **PC/Laptop**: All revenues generated by online companies selling locally targeted advertisements to be displayed on a PC/laptop. These advertisements could be sold by local pure-play online companies, or national companies selling geo-targeted advertising. Includes search, display and classified/vertical advertising. Search includes dollars spent on online local inquiries with search engine sites (such as Google, Microsoft, Facebook, Yahoo, Ask, AOL).

▪ **Radio Digital (Previously called Radio Online)**: Radio digital advertising includes local advertising sold by local stations (streaming and website advertisements) and pure play streaming services. Includes the share retained by local radio stations after reselling other online platforms (e.g., Google AdWords).

▪ **TV Digital (Previously called Television Online)**: TV digital advertising includes local advertising sold by local broadcast stations (owned and operated streaming and website advertisements). Includes the share retained by local television stations after reselling other online platforms and products (Not owned and operated e.g., Google AdWords, targeted display, social media advertising).