



STRATEGY TOOLKIT

The impact of COVID-19 on the advertising industry.

A current overview of strategies, initiatives and studies gathered from TV and radio companies around the world – updated on a regular basis.

1. Clients and business loss/development
2. Programming
3. The financial impact of COVID-19 on advertising
4. The need to advertise in times of crisis

LAST UPDATE: 24 MARCH 2020

CLIENTS AND BUSINESS LOSS/DEVELOPMENT¹

// Campaign cancellations

- First sectors to **cancel campaigns**: automotive, travel, luxury, out of home food chains, cosmetics & perfumes, cinema.
- Sectors that are experiencing an **increase in sales** (grocery retailer, household care product, personal hygiene, pharma, telco and internet service providers, etc.) start **adapting** /reducing/**postponing** their advertising plans.
- **Cancellation fees** approaches:
 - Cancellation without additional fees for clients who had to shut down their company
 - Give opportunity to choose between deferring or cancelling their campaigns.
 - Voucher system which allow clients to move their commercials to a later period
 - Postponement till August without any fees
 - 10% of the cancelled value as cancellation fee

// Tactics to retain existing clients, special packages and discounts

- **One to one approach** - persuade clients to keep the investment, explaining for example the need to advertise in time of crisis, or try to re-plan together in the second half of the year
- **Special promotions**:
 - Provide the possibility of **adding five additional seconds** to the spots that were already produced in order to allow brands to change part of their communication and adapt it to the current situation – mentioning home delivery or direct customers to the web shop (e.g. **Belgium**, Spain)
 - For those who don't cancel, support their campaigns with **additional spots**.
 - Proactively offer to some of advertisers (where it is applicable) to **modify the copy or messages** of a campaign instead of completely cancelling it. Help clients **adapt their creative** from activation to brand image, brand awareness infomercials, recruitment campaigns for those who need staff.
 - Propose a "1+1 measure" (50% of campaign paid, 50% for free)
 - **Offer shorter cancellation periods** now for new incoming clients/campaigns to offer additional flexibility. Provide flexibility regarding **advanced booking** deadlines.
 - To be noted: any additional benefit given to clients in these weeks is an "on/off" one shot benefit, not impacting on their standard conditions

¹ Information based on egta survey among members.

- **Cooperate with competitors** – Some competition authorities (for example in [Netherlands](#)) have sent a press release stating that competitors are allowed to **take joined measures** that the market requires in these dramatic circumstances. This applies for example for the coordination regarding cancellation policies to avoid a price war.
- Conduct a special research about **how harmful “no communication” can be for client’s brand**: The incredible and harmful power of silence for your brand. One of egta’s members shared their recent communication about this under the campaign “now is the time”: Atresmedia did a [survey amongst consumers](#) to ask about their perception of advertising in a time of crisis.

PROGRAMMING

// General trends across markets²

- Double digit increase in linear [TV viewership](#) – also among young audiences
- Growing multi-screen consumption of TV (see ComScore figures [here](#) for example)
- Postponement of high value-high cost programming for the forthcoming months after the crisis – re-running archive programming
- Postponement or cancellation of shows with live audience/taping without audience
- Problem with long running series and soaps – production needs to be halted, resulting in a change of schedule – often channels broadcast less episodes weekly.
- Postponement of major new content releases (new shows or movies) for future months when better market performance is expected

// New content targeted at kids, teenagers and youngsters

- Initiatives to **engage teenagers and youngsters**, keep their spirits up while keeping their families and communities safe by staying apart (eg. [#CreateDontContaminate](#), [#SAVETHESUMMER](#))
- **Educational programs for children**
 - **Homeschooling** - special segments with teachers, preparation for exams (e.g. [Czech TV, SRF mySchool](#))
 - **Educational shows** online and on air for children (e.g. [Maison Lumni](#) by FTVP)
 - Virtual **museums’** visits, **gymnastics**, special **interactive showson** radio, radio plays (e.g. [SSR](#))

² Information based on egta survey among members.

// Other new formats or news-related programmes

- Programs focused on **life in quarantine**, **solidarity** among citizens, tips on **entertainment**, positive news, giving **tips** such as: how to entertain kids, how to help neighbours in quarantine, how to help elderly people, local initiatives
 - RTL's [Belgians at home](#) on TV and Radio
 - Vier's [#Corona2020](#) daily magazine
 - BBC's [Make A Difference](#)
 - Vivacité's [Dear neighbours](#)
 - M6's [cooking show](#) for families from a famous chef's own home
- **Virtual cultural programs and events** ([Virtual St Patrick's Day Parade](#) by RTE, Virtual Music Festival where artists will play from home)
- **Public service announcements and campaigns**
 - Donating **free advertising inventory for government public health and awareness campaigns** (For e.g. in the [USA](#) - NBCUniversal, ViacomCBS, iHeartMedia, The Atlantic and Disney/ABC)
 - **Dedicated stations or programs** to information on health and the virus (e.g. [Health info radio](#) station on DAB in the UK, Covid-19 - [virtual assistant live chat](#) on TF1, [Radio Red Zone](#) from Codogno, Italy, [My Question Coronavirus](#) by Europe1)
 - **Special podcasts** (example by [RTL](#))
 - A [campaign by the French public service](#) to support the French medical staff with a special programme during which two full ad breaks' revenues were dedicated to charity.
- Special programs for **senior citizens** (e.g. Czech TV launching a [dedicated channel](#) for seniors)

// Initiatives for viewer/listener retention

e.g. special VOD offers, pay-tv offers, opening of special content or special channels, opening up of podcasts and streaming platforms

- Many broadcasters use that time to **emphasise the quality of the programme available on their VOD platforms**. Some of them simply run special promotional campaigns promoting their VOD offer, whilst some even open up their platforms for a free access or offer a free trial. Examples:
 - ProSieben's streaming service Joyn offers the [premium offer Joyn Plus + free of charge](#) for three months.
 - Sky has [partnered](#) with NBCUniversal to make a range of movies available to rent at home through the Sky Store, on the same day as the global premieres.
 - Canadian broadcasters, TelCo's & BDUs are extending free services to Canadians (free access to extra channels, data cap relief)
 - Sky Deutschland [unlocked](#) the *Sky Cinema* and *Sky Entertainment* packages including Sky Box sets for all customers for one month.

- Some TV companies have offered to [help share in the costs of halted productions](#), as is the case for German broadcasters ARD, RTL, ZDF and ProSiebenSat.1

EXTERNAL REPORTS ABOUT THE FINANCIAL IMPACT OF COVID ON ADVERTISING/MARKETING

- EBU: [COVID-19 – Public service media audience performance](#)
- IPSOS: [Signals: understanding the coronavirus crisis](#)
- AtresMedia: [Branding COVID-19 - Research about advertising perception during the COVID-19 lockdown.](#)
- McKinsey & Company: [COVID-19 Briefing Note -Global Health & Crisis response](#)
- Havas Media: [Coronavirus impact on TV and web in Belgium – a complementary mix](#)
- Facebook: [How can businesses respond to COVID-19?](#)
- Boston Consulting Group: [Survey - 5 dimensions of COVID-19 response strategy](#)
- Ogilvy Group: [Making communication choices in COVID-19](#)
- Group M: [How the coronavirus crisis leads to increased TV viewing in Italy](#)
- Dentus Aegis Network: [Moving into a new normal – forecasting the future post-COVID-19 for China](#)

REPORTS AND RESEARCH ABOUT THE NEED TO ADVERTISE IN TIMES OF CRISIS

You will also find insightful articles about the need to keep on advertising in times of crisis on this Scoop.it board: <https://www.scoop.it/topic/advertising-in-time-of-crisis>

ADDITIONAL INFORMATION & CONTACTS

For additional information, we invite you to have a look at the other tools at your disposal:

- **A private LinkedIn Group:** This group, only accessible to egta members provides a secure forum where questions, ideas and concerns can be immediately shared, facilitating the exchange of information between companies and countries. [We invite you to join the discussion via this link](#)
- **A Scoop.It Board,** which gathers all the current news articles on coronavirus and how it is impacting the advertising and marketing industry. This will give you a clear overview of how the situation is evolving. [You can access the board via this link.](#)

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