

# BEVERAGE ALCOHOL MEDIA REPORT

Q4 2016



SUSAN LAUINGER SVP, MARKETING EFFECTIVENESS NIELSEN

### WELCOME

Despite the fact that the media landscape is now more fragmented than ever, radio continues to be a top a reach medium.

When advertisers think of reach, TV and internet are usually top of mind but Nielsen's data shows that radio has the greatest reach of all electronic media.

## **"229 MILLION LDA CONSUMERS LISTENED TO RADIO IN Q4 2016"**

The following pages highlight Radio's ability to reach legal drinking age (LDA) consumers in general and Millennials (A21-34) in particular.

Beyond radio reach, the report also includes an updated view of LDA media consumption across all screens where content is being distributed and consumed; including, generational snapshot of media behaviors for Millennials, Generation X and Boomers across TV, online and mobile.

In addition to reach metrics, we have included the top resonating BevAl television ads of the quarter. In this section, best practices are highlighted and one of the top ads is put in the "Spotlight."

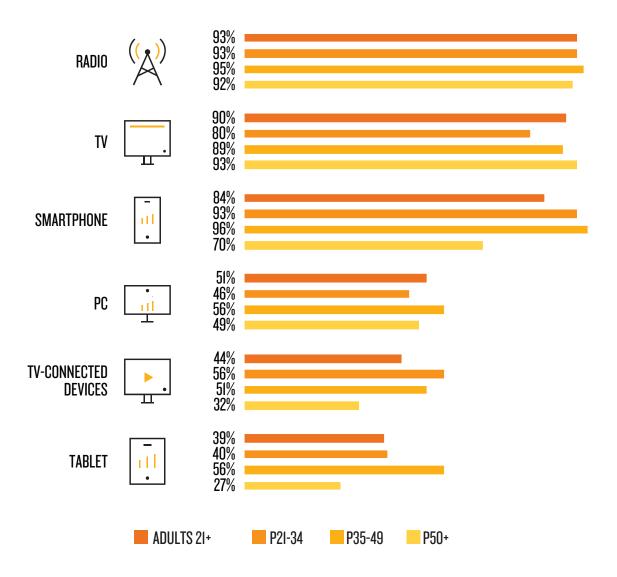
Lastly, BevAl industry media spend is broken out by industry subcategory and by channel—including a full year of digital spend.

We hope you enjoy these highlights as we endeavor to enable a true understanding of total audience behavior within an ever-fragmenting media landscape.

SUSAN



#### RADIO IS A TOP REACH MEDIUM



Source: Nielsen Comparable Metrics Report Q4 2016 / TV Connected Devices = DVD, Game Console, Mulitmedia Device, VCR

When advertisers think of reach, TV and internet are usually top of mind but Nielsen's data shows that radio has the greatest reach of all electronic media. As the above chart shows 93% of adults 21+ listen to radio each week, followed by TV at 90% and smartphone at 84%. When advertisers want to cast a wide net with their message, radio should be an essential part of the media mix.

## EVERY YEAR, THE RADIO AUDIENCE IN AMERICA CONTINUES TO GROW

**WEEKLY AUDIENCE, PERSONS 21+** 

	<del></del>
	MARCH
215,877,000	2017
212,705,000	2016
210,830,000	2015
209,515,000	2014

Radio continues to reinvent itself every day. From playing the hottest hits to discussing the topics listeners care about the most, AM/FM radio caters to its loyal listeners and they keep coming back year after year.

#### RADIO IS ALSO CAPTURING MILLENNIALS' ATTENTION

**WEEKLY AUDIENCE, PERSONS 21-34** 

	1 1
	MARCH
55,862,000	2017
55,129,000	2016
55,028,000	2015
54,809,000	2014

LDA Millennials, a challenging demographic to engage with, is within marketers' reach through radio.





Today's consumers have more access to more information than ever before, and we are consuming information at a faster and faster rate. The average adult (21+) watches about five hours of TV per day. This equates to about 300 ad impressions each day, or 1,750 ad impressions per week.

The ads showcased in this section were able to break through the clutter of real-world TV ad viewing—including the impact of multi-tasking and life's many other distractions—to deliver high performance in brand memorability.

#### **HOW TO READ TOP AD PERFORMANCE**



#### TOP TV BEVERAGE ALCOHOL ADS: Q4 2016



JACK DANIEL'S – "OUR TOWN" :15







After a brief hiatus, Jack Daniels is back to the Top Ads with "Our Town" which features relatable characters in a sentimental creative that resonates with LDA consumers.

Q4-2016 Brand Memorability Index: 148

#### RFFR

BUDWEISER – "AMERICA IS IN YOUR HANDS" :15







Building on momentum from the summer, Budweiser's "America is in Your Hands" spot continues to deliver strong results by employing relatable characters and situations across the American landscape coupled with strong branding execution.

Q4-2016 Brand Memorability Index: 217

#### **FMBS & CIDERS**

REDD'S – "80'S PARTY" :15







Redd's "80's Party" connected with LDA viewers by employing breakthrough best practices like humor and a simple storyline to resonate with LDA consumers.

Q4-2016 Brand Memorability Index: 213



BRANDING BEST PRACTICES									
EARLY VISUAL/VERBAL CUES  BH  RD	LEVERAGE BRAND ICON								
OWNABLE CONCEPT  OMN BH RD	BRAND IN STORYLINE  (M)  (BH)  (RD)								

Source: Nielsen TV Brand Effect, data limited to performance from 10/1/16 - 12/31/16., 21+
Evaluating English-language ads on English-language networks within TV Brand Effect coverage only.
Only includes ads that have debuted since 1/1/16 with > 100 Brand Linkage sample in 4Q'16.. Ads with less than 100 sample were not considered Branded Memorability indexed against the 2013-2015 Beverage Alcohol norm for Branded Memorability
\*No wine ads reached normative levels in Brand Memorability during the measurement period

#### TOP TV BEVERAGE ALCOHOL ADS: Q4 2016

#### **NIELSEN CREATIVE EVALUATION (CE)**

CE OFFERS INSIGHT ON HOW VIEWERS ARE CONNECTING WITH AN AD



#### **EMOTIVE POWER**

Provides insight on consumer perceptions of the emotive content in the ad



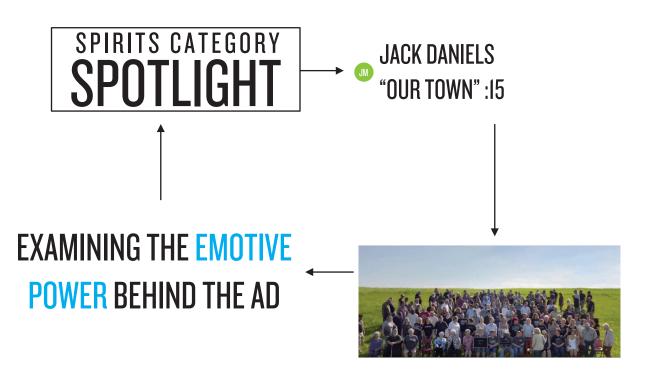
#### **EMPATHY**

The ad's ability to make people empathize and feel closer to the brand

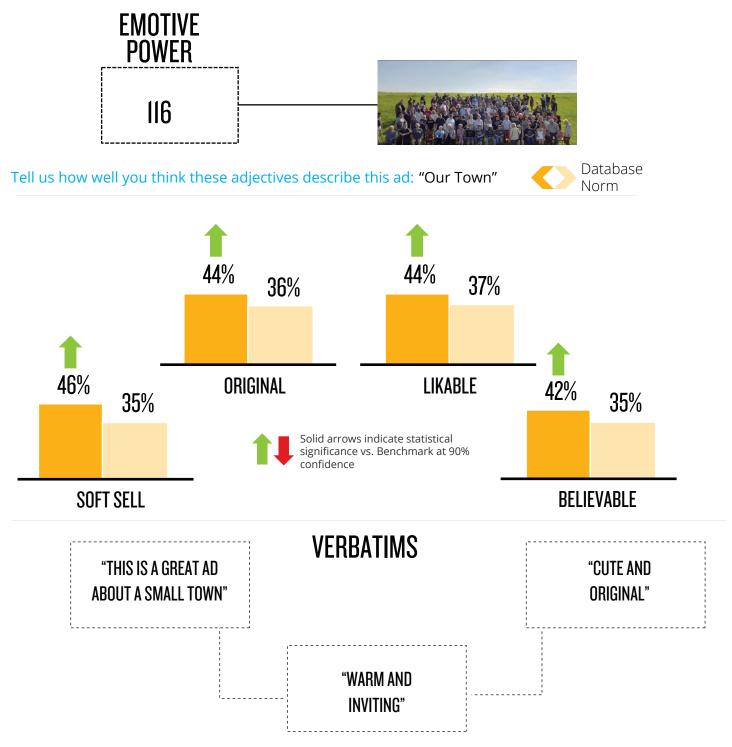


The ad's ability to make the brand seem imaginative and in-touch





## TOP TV BEVERAGE ALCOHOL ADS Q4 2016 JACK DANIELS "OUR TOWN": 15



Source: Nielsen Creative Evaluation

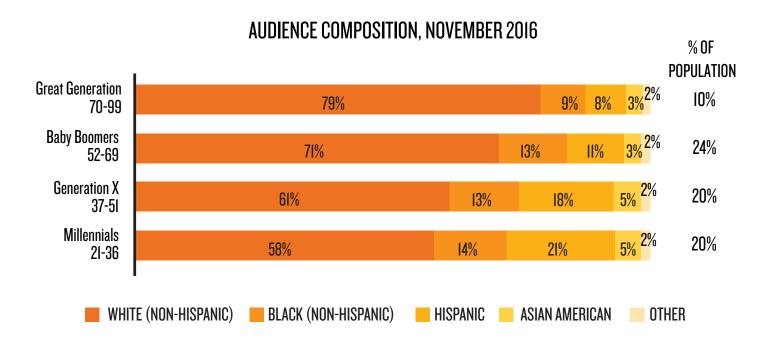


### GENERATIONAL SNAPSHOT: A LOOK AT MILLENNIALS, GENERATION X AND BABY BOOMERS

The following snapshot outlines the media behavior of Millennials, Generation X and Baby Boomers.

The snapshot contains an audience profile across a variety of demographic factors and looks at TV, online and mobile.

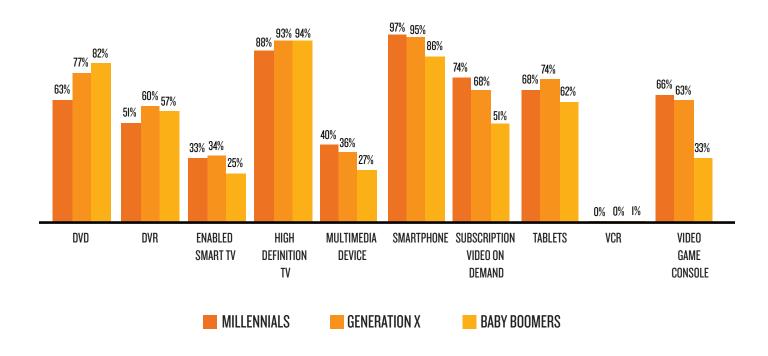




Source: NPOWER, based on scaled installed counts, P21-36, P37-51, P52-69, P70-99, November 2016



#### **DEVICE PENETRATION BY GENERATION**



Source: NPOWER, based on scaled installed counts, P21-36, P37-51, P52-69, November 2016

#### TV ACTIVITY

#### TOP BROADCAST

	MILLENNIALS			GENERATION X			BABY BOOMERS	
NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS
NBC	VOICE	09:31	NBC	TODAY SHOW	25:03	ABC	GOOD MORNING, AMERICA	45:49
NBC	TODAY SHOW	8:48	ABC	GOOD MORNING, AMERICA	23:24	ABC	DANCING WITH THE STARS	36:37
ABC	GOOD MORNING, AMERICA	8:10	NBC	VOICE	21:14	NBC	VOICE	35:53
UNI	DESPIERTA AMERICA	7:28	ABC	DANCING WITH THE STARS	15:04	NBC	TODAY SHOW	35:27
ABC	DANCING WITH THE STARS	7:22	CBS	YOUNG AND THE RESTLESS	14:26	CBS	YOUNG AND THE Restless	35:07

#### **TOP CABLE**

	MILLENNIALS			GENERATION X			BABY BOOMERS	
NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS
CNN	ELECTION NIGHT IN AMERICA	23:33	FNC	AMERICAS ELECTION HQ	26:37	FNC	FOX AND FRIENDS	44:48
AMC	WALKING DEAD	21:58	CNN	ELECTION NIGHT IN AMERICA	25:16	CNN	CNN NEWSROOM	43:43
FNC	AMERICAS ELECTION HQ	15:03	AMC	WALKING DEAD	24:48	FNC	AMERICAS ELECTION HQ	38:05
CNN	CNN NEWSROOM	9:59	CNN	CNN NEWSROOM	22:41	FNC	AMERICAS NEWSROOM	34:49
USA	WWE ENTERTAINMENT	8:16	FNC	FOX AND FRIENDS	16:57	HALLMARK	HALL ORIGINAL MOVIE	32:50

<sup>\*</sup>The average Millennial watched The Voice for 9 minutes and 31 seconds in November 2016 Source: NPOWER, P21-36, P37-51, P52-69, November 2016. Excludes Specials, Programs less than 5 min, Repeats, Sports & shows w/ only one telecast. Rank is based on average time spent by program.

#### TOP SYNDICATED PROGRAMS STRIP (MON-FRI)

	MILLENNIALS			GENERATION X			BABY BOOMERS	
NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS
WB. TV	BIG BANG THEORY	10:56	WB. TV	BIG BANG THEORY	22:02	CBS	JUDGE JUDY	38:34
20TH TV	FAMILY FEUD	9:00	20TH TV	FAMILY FEUD	18:32	CBS	DR. PHIL SHOW	35:58
20TH TV	FAMILY GUY	8:50	CBS	DR. PHIL SHOW	17:51	20TH TV	FAMILY FEUD	33:14
CBS	DR. PHIL SHOW	8:32	CBS	JUDGE JUDY	17:11	WB. TV	BIG BANG THEORY	30:17
20TH TV	MODERN FAMILY	8:27	WB. TV	ELLEN DEGENERES SHOW	12:22	CBS	WHEEL OF FORTUNE	29:16

#### TOP SYNDICATED PROGRAMS ONCE-A-WEEK (SAT-SUN)

	MILLENNIALS			GENERATION X			BABY BOOMERS	
NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS	NETWORK	PROGRAM	MM:SS
WB. TV	BIG BANG THEORY	3:17	WB. TV	BIG BANG THEORY	5:53	WB. TV	BIG BANG THEORY	7:46
NBC	LAW & ORDER:SVU	3:17	NBC	LAW & ORDER:SVU	5:16	NBC	LAW & ORDER:SVU	7:20
20TH TV	FAMILY GUY	2:20	NBC	ACCESS HOLLYWOOD LIVE	3:31	DADT	WEEKEND ADVENTURE	6:16
20TH TV	BOBS BURGERS	2:04	DADT	WEEKEND ADVENTURE	3:10	CBS	BLUE BLOODS	4:09
20TH TV	MODERN FAMILY	1:52	20TH TV	MODERN FAMILY	2:28	NBC	ACCESS HOLLYWOOD LIVE	4:04

Source: NPOWER, P21-36, P37-51, P52-69, November 2016. Excludes Specials, Programs less than 5 min, Repeats, Sports & shows w/ only one telecast. Rank is based on average time spent by program.

#### **DIGITAL ACTIVITY**

#### TOP MOBILE APPLICATIONS

MILLEI	INIALS		GENER	ATION X		BABY BOOMERS			
NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	
FACEBOOK	50,473	19:19	FACEBOOK	43,396	19:41	FACEBOOK	51,971	16:40	
FACEBOOK MESSENGER	46,951	2:29	FACEBOOK MESSENGER	38,794	2:01	FACEBOOK MESSENGER	47,356	1:20	
YOUTUBE	43,819	4:34	YOUTUBE	34,262	3:18	GOOGLE SEARCH	40,980	2:10	
GOOGLE MAPS	40,172	2:11	GOOGLE MAPS	32,226	1:55	GOOGLE MAPS	37,005	1:24	
INSTAGRAM	35,041	5:04	GOOGLE SEARCH	30,903	2:29	YOUTUBE	35,112	1:59	

#### TOP ONLINE VIDEO BRANDS

MILLEI	NNIALS		GENER	ATION X		BABY BOOMERS			
NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	
YOUTUBE	21,902	21:55	YOUTUBE	24,019	14:29	YOUTUBE	24,502	08:01	
FACEBOOK	13,050	02:16	FACEBOOK	15,652	03:02	FACEBOOK	17,342	03:26	
VEVO	8,590	04:29	CNN DIGITAL NETWORK	7,865	00:31	<b>УАНОО</b>	8,938	00:56	
CNN DIGITAL NETWORK	5,633	00:31	YAHOO	7,687	00:53	CNN DIGITAL NETWORK	6,650	00:18	
YAHOO	5,183	00:31	VEVO	7,399	03:19	VEVO	5,860	01:50	

Source: Online NetView Top Overall Brands, Top Member Communities, P21-36, P37-51, P52-69, November 2016

#### **TOP ONLINE SITES**

MILLEI	NNIALS		GENER/	ATION X		BABY BOOMERS			
NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	
GOOGLE	34,306	04:22	GOOGLE	36,073	5:15	GOOGLE	36,485	3:26	
MSN	23,085	02:32	MSN	27,624	3:08	MSN	30,697	3:12	
FACEBOOK	22,659	07:33	FACEBOOK	25,961	11:34	FACEBOOK	29,292	12:19	
YOUTUBE	21,875	07:59	YAHOO	24,335	3:16	YAHOO	26,500	3:44	
YAHOO	19,651	01:34	YOUTUBE	22,793	5:13	AMAZON	23,530	1:24	

#### TOP ONLINE SOCIAL NETWORKS

MILLEI	NNIALS		GENER <i>i</i>	ATION X		BABY BOOMERS			
NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	NAME	UA (000)	TPP (HH:MM)	
FACEBOOK	22,659	07:33	FACEBOOK	25,961	11:34	FACEBOOK	29,292	12:19	
TWITTER	8,792	02:12	TWITTER	10,515	1:26	TWITTER	9,936	0:48	
PINTEREST	6,725	00:37	PINTEREST	9,188	0:45	PINTEREST	8,461	0:26	
INSTAGRAM	6,514	00:27	BLOGGER	7,202	0:17	LINKEDIN	6,989	0:27	
BLOGGER	6,319	00:19	LINKEDIN	6,744	0:37	BLOGGER	6,585	0:14	

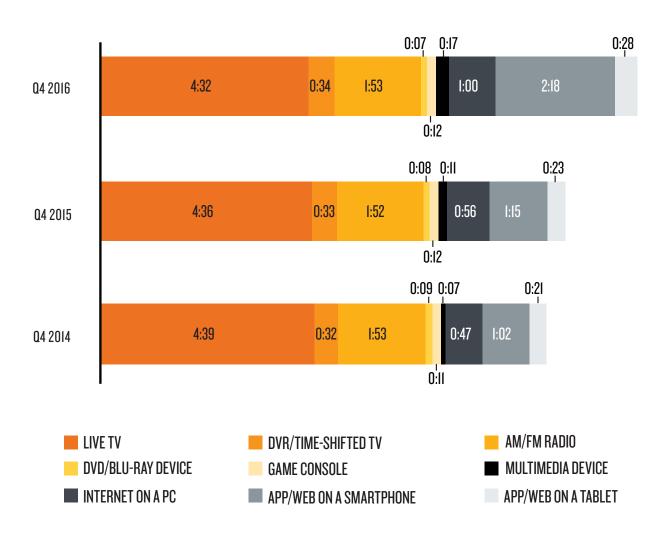
Source: Mobile NetView P21-36, P37-51, P52-69, August 2016; Video Census, P21-36, P37-51, P52-69, November 2016 Note: UA = Unique Audience; TPP = Time per Person



## TOTAL LDA AUDIENCE MEDIA CONSUMPTION

#### AVERAGE TIME SPENT PER ADULT 21+ PER DAY

#### EXHIBIT I - BASED ON THE TOTAL U.S. POPULATION



Panel enhancements made in March and August 2016 impacted mobile reporting.

Mobile data are obtained through convenience panels which are recruited in English only and, as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences.

TABLE IA - WEEKLY TIME SPENT IN HOURS: MINUTES AMONG U.S. POPULATION FOR Q4-2016

	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+	BLACK 21+	HISP. 21+	ASIAN AM. 21+
Live+DVR/Time-shifted TV	20:27	22:00	30:55	42:56	51:10	35:43	50:45	27:22	17:16
DVR/Time-shifted TV	2:33	2:53	4:16	4:44	4:30	4:00	3:45	2:29	2:13
AM/FM Radio	11:05	11:17	13:44	15:17	12:37	13:14	13:55	14:19	n/a
DVD/Blu-Ray Device	0:51	0:55	1:00	0:50	0:34	0:49	0:59	0:50	0:38
Game Console	3:36	3:11	1:21	0:22	0:08	1:25	1:34	1:22	0:58
Multimedia Device	3:01	3:08	2:18	1:26	0:55	1:57	1:57	1:51	3:09
Internet on a PC	6:27	6:58	9:44	7:31	4:06	7:06	7:53	6:13	3:57
Video on a PC	3:00	2:58	2:53	1:42	0:44	2:08	3:00	2:16	1:35
App/Web on a Smartphone	17:56	17:06	19:05	19:13	4:28	16:06	18:12	18:21	11:45
Video on a Smartphone	1:10	1:04	0:52	0:34	IFR	0:43	1:10	1:11	0:36

#### TABLE IB - WEEKLY TIME SPENT IN HOURS: MINUTES AMONG U.S. POPULATION FOR Q4-2015

	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+	BLACK 21+	HISP. 21+	ASIAN AM. 21+
Live+DVR/Time-shifted TV	21:47	23:12	31:25	42:59	50:53	36:03	51:21	28:22	18:09
DVR/Time-shifted TV	2:44	3:07	4:14	4:31	4:09	3:54	3:35	2:28	2:17
AM/FM Radio	11:06	11:20	13:36	15:00	12:22	13:05	13:34	13:43	n/a
DVD/Blu-Ray Device	0:57	1:02	1:01	0:56	0:38	0:54	1:04	0:53	0:40
Game Console	3:36	3:07	1:22	0:21	0:06	1:25	1:31	1:24	0:59
Multimedia Device	2:04	2:13	1:26	0:51	0:36	1:16	0:59	1:13	2:27
Internet on a PC	6:49	7:10	7:56	6:58	3:59	6:34	7:25	5:18	4:35
Video on a PC	2:03	2:08	1:53	1:11	0:36	1:28	2:08	1:37	1:29
App/Web on a Smartphone	11:38	10:49	10:52	8:00	1:46	8:25	9:45	10:32	6:38
Video on a Smartphone	0:30	0:24	0:20	0:11	IFR	0:16	0:29	0:30	0:18

Note: IFR represents data that is insufficient for reporting due to small sample sizes. n/a represents data unavailability.

Mobile data are obtained through convenience panels which are recruited in English only and, as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences.

TABLE 2 - USERS BY MEDIUM
NUMBER OF USERS 21+ (IN 000'S) - MONTHLY REACH

	COMPOSITE		BL/	ACK	HISPANIC		ASIAN AMERICAN	
	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16
Live+DVR/Time-shifted TV	213,086	219,197	26,723	27,683	32,548	33,690	11,685	12,550
DVR/Time-shifted TV	145,608	153,971	17,875	19,259	19,079	20,141	7,203	7,865
AM/FM Radio	226,539	229,918	27,923	28,601	34,836	36,144	n/a	n/a
DVD/Blu-Ray Device	91,719	77,046	10,338	8,583	12,897	10,612	4,317	3,441
Game Console	52,652	51,487	6,328	6,359	9,003	9,019	3,366	2,834
Multimedia Device	51,355	75,611	4,877	8,143	8,435	12,211	5,244	6,904
Internet on a PC	154,552	153,308	18,936	18,792	17,926	19,668	5,445	5,330
Video on a PC	109,851	102,767	13,713	12,521	12,261	12,878	3,998	3,837
App/Web on a Smartphone	173,936	199,563	21,439	24,346	29,361	33,473	9,365	11,038
Video on a Smartphone	131,466	161,519	17,634	20,983	23,763	28,705	6,481	8,445

TABLE 3 - MONTHLY TIME SPENT AMONG USERS HOURS: MINUTES AMONG P21+

	COMPOSITE BLACK		<b>ACK</b>	HISP	ANIC	ASIAN AMERICAN		
	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16	Q4 15	Q4 16
Live+DVR/Time-shifted TV	168:18	163:59	236:38	229:12	129:56	123:39	93:36	88:06
DVR/Time-shifted TV	26:40	26:09	24:44	24:23	19:20	18:44	19:02	18:03
AM/FM Radio	57:23	57:53	59:47	60:46	58:39	60:14	n/a	n/a
DVD/Blu-Ray Device	9:41	10:45	12:42	14:14	10:10	12:04	9:14	11:41
Game Console	26:37	27:33	29:34	30:56	23:14	23:00	17:40	21:59
Multimedia Device	24:33	26:03	25:02	30:01	21:35	23:07	28:11	29:16
Internet on a PC	42:15	46:13	48:00	52:11	43:58	47:23	50:30	46:52
Video on a PC	13:31	19:29	19:07	27:49	20:04	24:48	22:49	24:07
App/Web on a Smartphone	48:11	77:18	56:04	88:46	53:31	78:36	42:47	63:06
Video on a Smartphone	2:06	4:21	3:23	6:43	3:14	5:52	2:56	4:31

The data sources in Table 3 should not be added or subtracted; they are based on users of each medium and the bases vary by source.

Mobile data are obtained through convenience panels which are recruited in English only and, as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences.

TABLE 4A - MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES AMONG USERS AMONG COMPOSITE

	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+
Live+DVR/Time-shifted TV	99:32	105:34	141:10	192:56	227:06	163:59
DVR/Time-shifted TV	17:40	18:57	26:00	30:07	31:14	26:09
AM/FM Radio	48:18	48:53	60:14	66:33	54:41	57:53
DVD/Blu-Ray Device	14:12	14:18	11:17	9:49	7:51	10:45
Game Console	40:24	35:34	19:21	12:58	12:03	27:33
Multimedia Device	32:02	31:42	24:38	21:49	21:54	26:03
Internet on a PC	43:41	44:49	53:57	47:13	34:09	46:13
Video on a PC	29:27	27:40	22:15	14:44	8:19	19:29
App/Web on a Smartphone	77:07	76:08	81:11	75:19	68:42	77:18
Video on a Smartphone	6:03	5:50	4:32	2:54	1:56	4:21

TABLE 4B - MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES AMONG USERS AMONG BLACKS

	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+
Live+DVR/Time-shifted TV	148:19	157:18	208:04	278:23	327:52	229:12
DVR/Time-shifted TV	18:09	19:36	27:14	29:18	21:33	24:23
AM/FM Radio	49:24	50:17	62:54	71:36	60:14	60:46
DVD/Blu-Ray Device	17:18	17:01	15:40	12:51	10:31	14:14
Game Console	41:52	37:36	23:43	17:18	13:25	30:56
Multimedia Device	34:05	33:12	29:09	27:08	24:02	30:01
Internet on a PC	55:58	58:32	61:49	45:33	31:52	52:11
Video on a PC	43:01	39:36	28:40	18:21	9:09	27:49
App/Web on a Smartphone	91:42	99:23	95:14	84:39	IFR	88:46
Video on a Smartphone	9:31	9:02	7:14	4:18	IFR	6:43

The data sources in Table 4 should not be added or subtracted; they are based on users of each medium and the bases vary by source.

Mobile data are obtained through convenience panels which are recruited in English only and, as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences.

TABLE 4C - MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES AMONG USERS AMONG HISPANICS

	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+
Live+DVR/Time-shifted TV	83:17	89:06	119:29	157:44	203:57	123:39
DVR/Time-shifted TV	14:00	14:35	19:05	24:04	24:14	18:44
AM/FM Radio	51:46	53:18	65:17	70:14	58:29	60:14
DVD/Blu-Ray Device	12:51	12:59	12:59	10:14	10:12	12:04
Game Console	29:51	26:06	16:07	14:14	15:17	23:00
Multimedia Device	25:45	25:48	22:03	20:18	19:17	23:07
Internet on a PC	46:48	45:53	53:18	42:14	34:43	47:23
Video on a PC	30:16	26:58	27:53	15:09	10:54	24:48
App/Web on a Smartphone	77:52	76:24	84:59	75:20	IFR	78:36
Video on a Smartphone	7:09	6:59	5:48	3:20	IFR	5:52

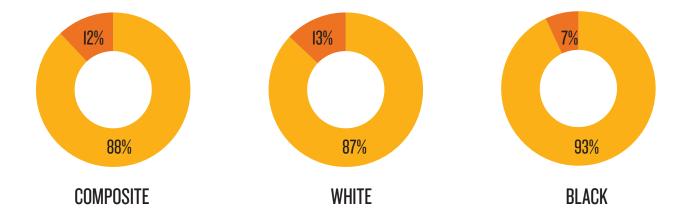
TABLE 4D - MONTHLY TIME SPENT BY MEDIUM IN HOURS: MINUTES AMONG USERS AMONG ASIAN AMERICANS

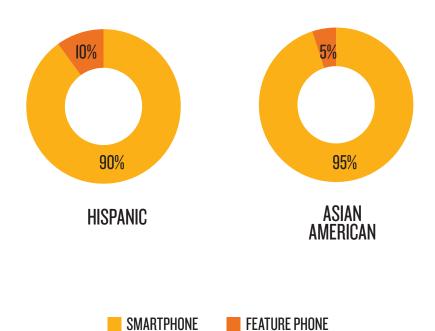
	A 21-34	A 25-34	A 35-49	A 50-64	A 65+	A 21+
Live+DVR/Time-shifted TV	53:18	59:07	79:31	100:42	138:06	88:06
DVR/Time-shifted TV	11:54	13:24	17:48	25:43	16:02	18:03
DVD/Blu-Ray Device	16:40	15:22	14:05	8:19	6:28	11:41
Game Console	33:18	30:07	19:09	6:36	7:08	21:59
Multimedia Device	29:40	30:22	24:51	29:49	43:03	29:16
Internet on a PC	48:11	49:51	58:42	30:23	26:33	46:52
Video on a PC	29:59	28:07	24:48	17:40	11:17	24:07
App/Web on a Smartphone	65:55	67:03	66:03	IFR	IFR	63:06
Video on a Smartphone	4:33	5:39	4:50	IFR	IFR	4:31

The data sources in Table 4 should not be added or subtracted; they are based on users of each medium and the bases vary by source.

Mobile data are obtained through convenience panels which are recruited in English only and, as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences.

#### **EXHIBIT 2: MOBILE DEVICE PENETRATION AMONG MOBILE SUBSCRIBERS 21+**

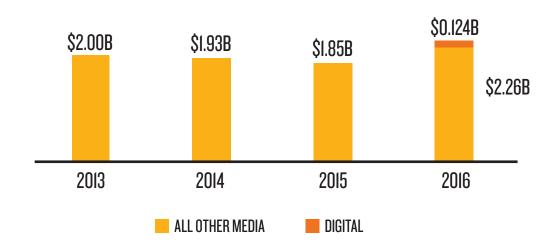




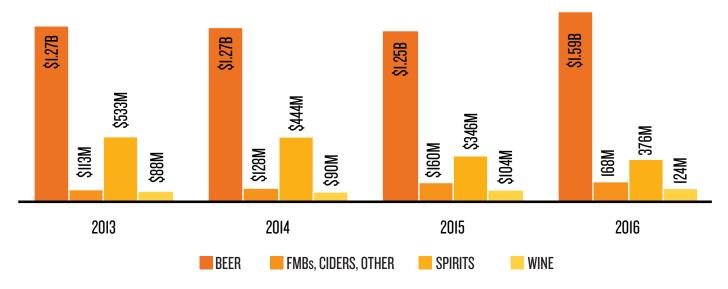


### TOTAL INDUSTRY MEDIA SPEND BY YEAR AND CATEGORY

#### BEVERAGE ALCOHOL INDUSTRY ANNUAL TOTAL AD SPEND



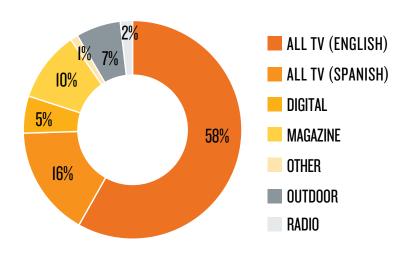
#### BEVERAGE ALCOHOL INDUSTRY ANNUAL AD SPEND BY CATEGORY



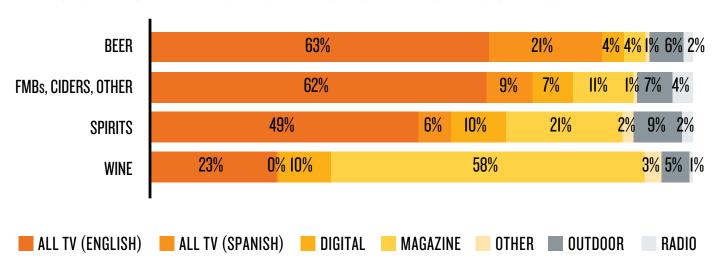
Source: Nielsen Ad Intel Digital spend data powered by Pathmatics and Nielsen. Not included in historical data.

### 2016 MEDIA SPEND BY MEDIA TYPE AND CATEGORY

#### 2016 AD SPEND BY MEDIA TYPE



#### 2016 AD SPENDING DISTRIBUTION BY CATEGORY & MEDIA TYPE

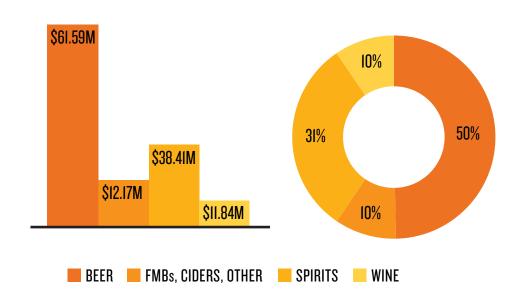


Source: Nielsen Ad Intel Radio spending based on top 43 markets

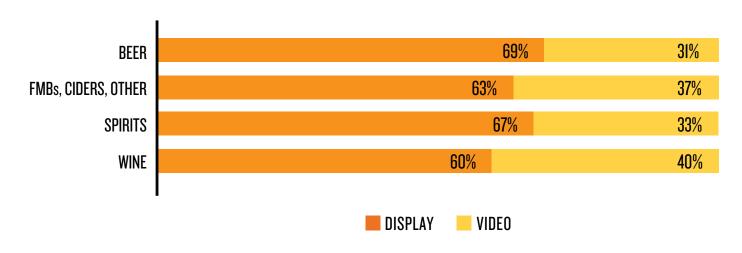
<sup>\* 2016</sup> includes Digital media spend, powered by Pathmatics and Nielsen

## 2016 BEV-AL DIGITAL MEDIA SPEND

#### DIGITAL MEDIA SPEND BY CATEGORY



#### DIGITAL MEDIA SPEND BY AD TYPE



Source: Nielsen Ad Intel, powered by Pathmatics and Nielsen Coverage: Display & Video on Desktop; Display on Mobile & Tablet Web

## TELEVISION METHODOLOGY

Live+DVR/Time-shifted TV includes Live usage plus any playback viewing within the measurement period. DVR/Time-shifted TV is playback primarily on a DVR but includes playback from video on demand, DVD recorders, server based DVRs and services like Start Over.

TV-connected devices (DVD, Game console, multimedia device) would include content being viewed on the TV screen through these devices. This would include when these devices are in use for any purpose, not just for accessing media content. For example, game console would also include when the game console is being used to play video games.

Multimedia devices is a combination of usage of the internet connected devices viewing source and audio-video viewing sources. It would include viewing on an Apple TV, Roku, Google Chromecast, smartphone, computer/laptop, etc. connected to the TV.

Reach for television and TV-connected devices includes those viewing at least one minute within the measurement period.

Data used in this report is inclusive of multicultural audiences. Hispanic consumer audiences are comprised of both English and Spanish speaking representative populations.

The last phase of a two-year sample expansion initiative (referred to as NPX) was completed on Dec. 28, 2015, essentially doubling the sample size of our National Panel. The official production ratings that comprise Nielsen's National television measurement service will be based on the larger panel of households. As with any past panel enhancements or methodology change, there is a trend break in the data when looking at year-over-year comparisons.

#### AM/FM RADIO METHODOLOGY

Listening to programming from AM/FM radio stations or network programming.

Audience estimates for 48 large markets are based on a panel of people who carry a portable device called a Personal People Meter (PPM) that passively detects exposure to content that contains inaudible codes embedded within the program content. Audience estimates from the balance of markets and countries in the U.S. are based on surveys of people who record their listening in a written diary for a week.

The estimates in this report are based on RADAR and the National Regional Database. RADAR reports national network radio ratings covering the U.S. using both PPM and Diary measurement and it is based on a rolling one-year average of nearly 400,000 respondents aged 12+ per year. The Q4 2016 report is based on the March RADAR studies to more accurately align with the other included media. This adjustment is also reflected in the included historical data.

Monthly Radio Estimates: Nielsen's Measurement Science group used statistical modeling techniques to estimate the total cume audience to radio in a four week period, as compared to the total cume audience to radio in an average week. The methodology utilized PPM panel data, and essentially measured how many people who were not exposed to radio in a single week might typically be exposed to radio over a consecutive four week period. A radio cume growth factor was then determined and applied to radio listening on a national basis. In the Q4 2016 report, the model for monthly radio estimates has been refined to more accurately align with the other included media. This adjustment is also reflected in the included historical data.

Listening to HD radio broadcasts, Internet streams of AM/FM radio stations and Satellite Radio is included in the Persons Using Radio estimates in this report where the tuning meets our reporting and crediting requirements of at least 5 minutes of usage. Reach for AM/FM Radio includes those listening for at least 5 minutes within the measurement period.

Data used in this report is inclusive of multicultural audiences. Hispanic consumer audiences are comprised of both English and Spanish speaking representative populations.

#### ONLINE METHODOLOGY

Nielsen's Online Panel is recruited through both probability-weighted and convenience panels which are recruited in Spanish and English. Panelists then download Nielsen's patented desktop NetSight meter, which accurately identifies which browser, tab, Internet application (including media players and instant messaging) or desktop application is in focus. Nielsen's Online Panel tracks usage across web sites and digital applications to deliver audience and analytics through metered measurement of panels of Internet users at both home and work.

Nielsen Netview and VideoCensus data is reflective of the hybrid methodology which combines a census level accounting of page views and video streams where Nielsen measurement tags have been deployed in order to project audience and behavior to the full universe of all Internet users. For VideoCensus, the portion of the total video streams calibrated by census data, previously allocated to Home/Work computers, are now allocated to other devices and locations such as smartphones and viewing outside of home and work.

Hours:minutes for Internet and video use are based on the universe of persons who used the Internet/watched online video. All Internet figures are weekly or monthly averages over the course of the quarter. All Internet on a PC metrics are derived from Nielsen NetView, while all Video on a PC metrics are derived from Nielsen VideoCensus. The audience of Video on a PC is a subset of Internet on a PC.

Meter collection capability improved in February 2016, which generally resulted in increased audience, page view, stream and duration metrics for Internet on a PC.

As of October 2016, a new crediting rule was implemented to better account for passively measured entities (using panel data only) serving video via progressive streaming. This generally resulted in increases in duration for Video on a PC.

#### MOBILE METHODOLOGY

Nielsen's Electronic Mobile Measurement (EMM) is an observational, user-centric approach that uses passive metering technology on smartphones and tablets to track device and application usage on an optin convenience panel, recruited online and in English, and as such, have limited representation of non-English speaking panelists. This limited representation may understate metrics of non-English speaking language audiences. Results are then reported out through Nielsen Mobile NetView 3.0. There are approximately 9,000 smartphone and 1,300 tablet panelists in the U.S. across both iOS and Android smartphone devices. This method provides a holistic view of all activity on the device as the behavior is being tracked without interruption.

A number of steps are taken after the data collection process to ensure the reported data is representative of the mobile population. For smartphones, weighting controls are applied across five characteristics (gender, age, income, race, and ethnicity) while independent enumeration studies are carried out on a continuous basis to provide the most current estimates of the mobile population (aka Universe Estimation).

Tablet data is unweighted and projections are applied using estimates from the National Panel that is the industry standard for TV ratings.

Figures reported in Nielsen's Mobile NetView 3.0 include those individuals who are P18+ who have used an iOS or Android device in the U.S. In particular:

App/Web refers to consuming mobile media content through a web browser or via a mobile app. It does not include other types of activity such as making/receiving phone calls, sending SMS/MMS messages etc, which has been excluded for this report.

Video is a subset of App/Web and refers to those individuals who visit a website or use a mobile app specifically designed to watch video content.

Nielsen implemented a crediting enhancement to improve the reporting of mobile usage on iOS devices in March 2016 and Android devices in August 2016. A legacy crediting rule that capped usage at 30 minutes was removed, so now if a panelist uses an app or visits a website for more than 30 minutes at a time the entire duration is now credited towards the app or website.

#### **SOURCING**

EXHIBIT I & TABLES I, 2, 3, 4 – AVERAGE TIME SPENT PER ADULT 2I+ PER DAY, WEEKLY TIME SPENT AMONG US POPULATION. USERS BY MEDIUM. MONTHLY TIME SPENT AMONG USERS

Source: Live+DVR/Time-shifted TV, DVR/Time-shifted TV, DVD, Game Consoles, Multimedia Devices 09/26/2016-12/25/2016 via Nielsen NPOWER/National Panel, Radio 12/31/15-11/30/16 via RADAR 132, PC 10/01/16-12/31/16 via Nielsen Netview and Nielsen VideoCensus, Smartphone 10/01/16-12/31/16 via Nielsen Electronic Mobile Measurement, Tablet 10/01/16-12/31/16 via Nielsen Electronic Mobile Measurement – unweighted, projections based on estimates from the NPOWER/National Panel.

Exhibit 1 and Table 1 are based on the total U.S. population whether or not they have the technology.

Tables 2-4 are based on users of each medium.

EXHIBIT 2 - MOBILE DEVICE PENETRATION AMONG MOBILE SUBSCRIBERS 21+

Source: Mobile 10/01/16-12/31/16 via Nielsen Mobile Insights

Note: IFR represents data that is insufficient for reporting due to small sample sizes. n/a represents data unavailability.

#### **ABOUT NIELSEN**

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Nielsen Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population. For more information, visit www.nielsen.com.



