

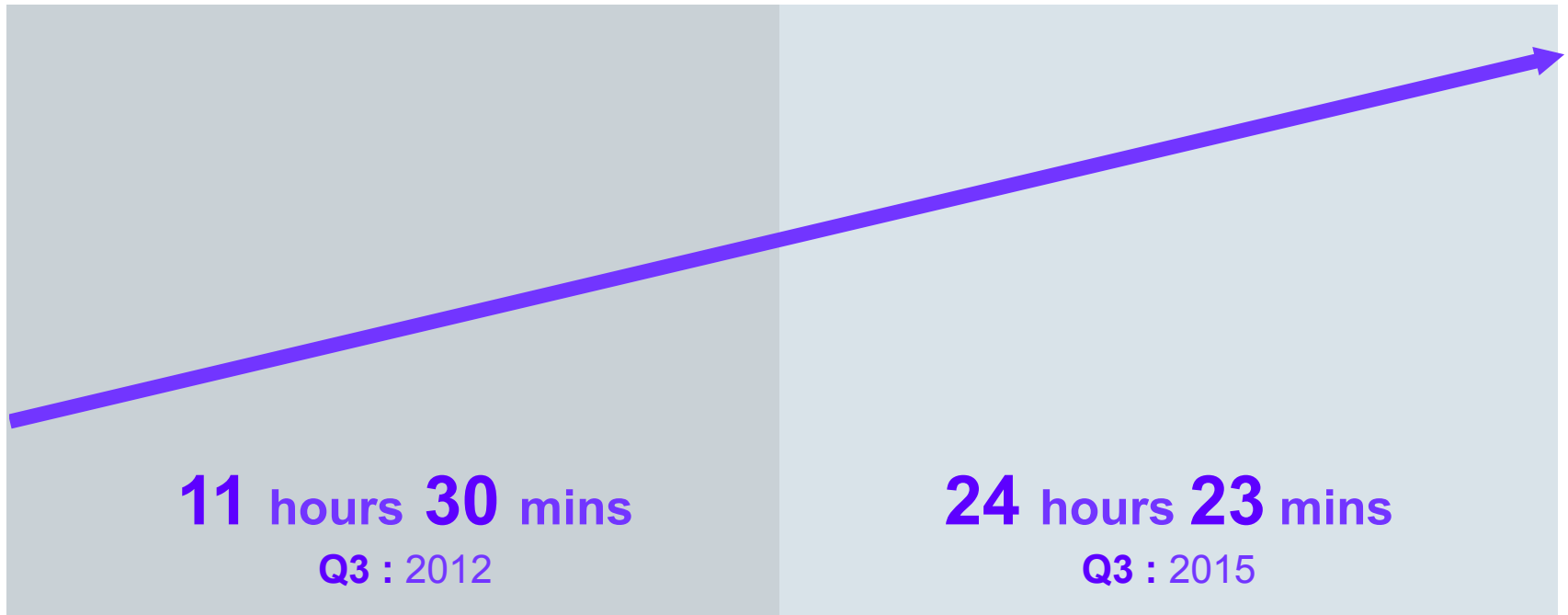


YAHOO!

TUNE IN TO THE LIVE VIDEO OPPORTUNITY

TIME-SHIFTED VIEWING IS BECOMING MORE PREVALENT ON TV

Monthly time spent watching Time-shifted TV

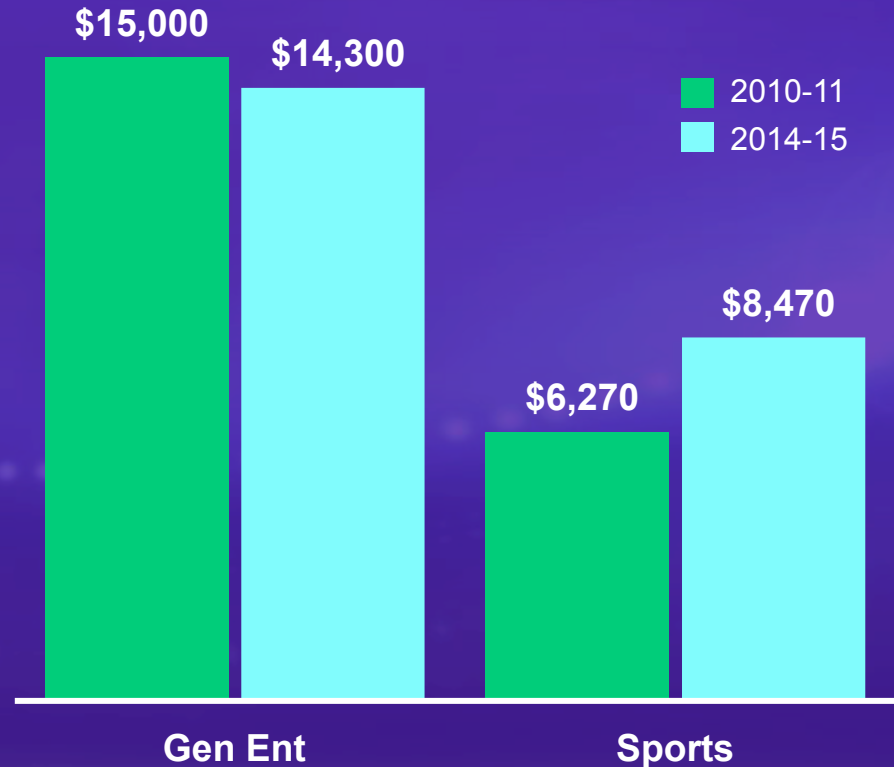


*source: Nielsen Total Audience Report, Q3 2015,, P2+
Nielsen Cross-Platform Report, Q3 2012, P2+

LIVE EVENTS

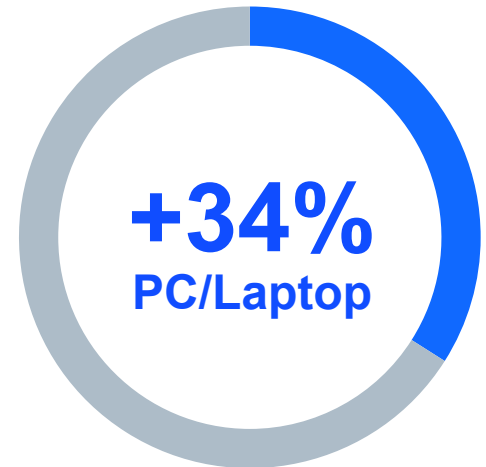
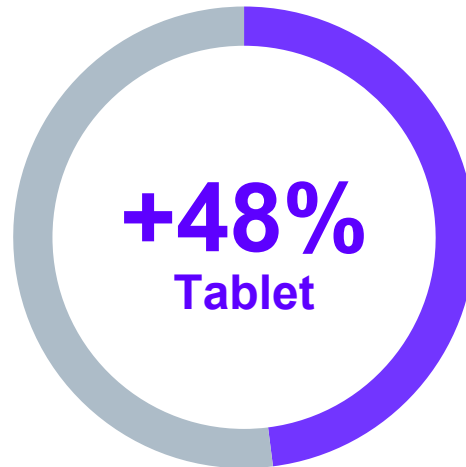
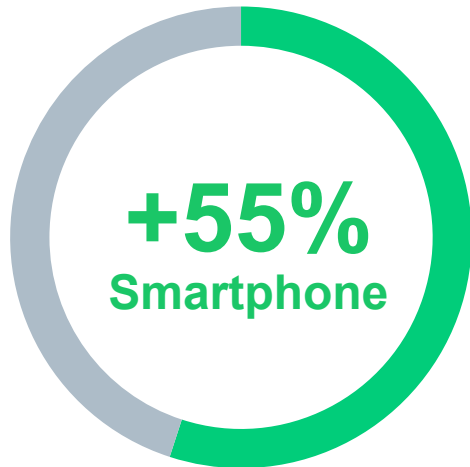
Live Sports represented 37% of the Big 4 networks' total revenue in 2014-15

Total Ad Revenue for Big 4 Networks
(in millions)



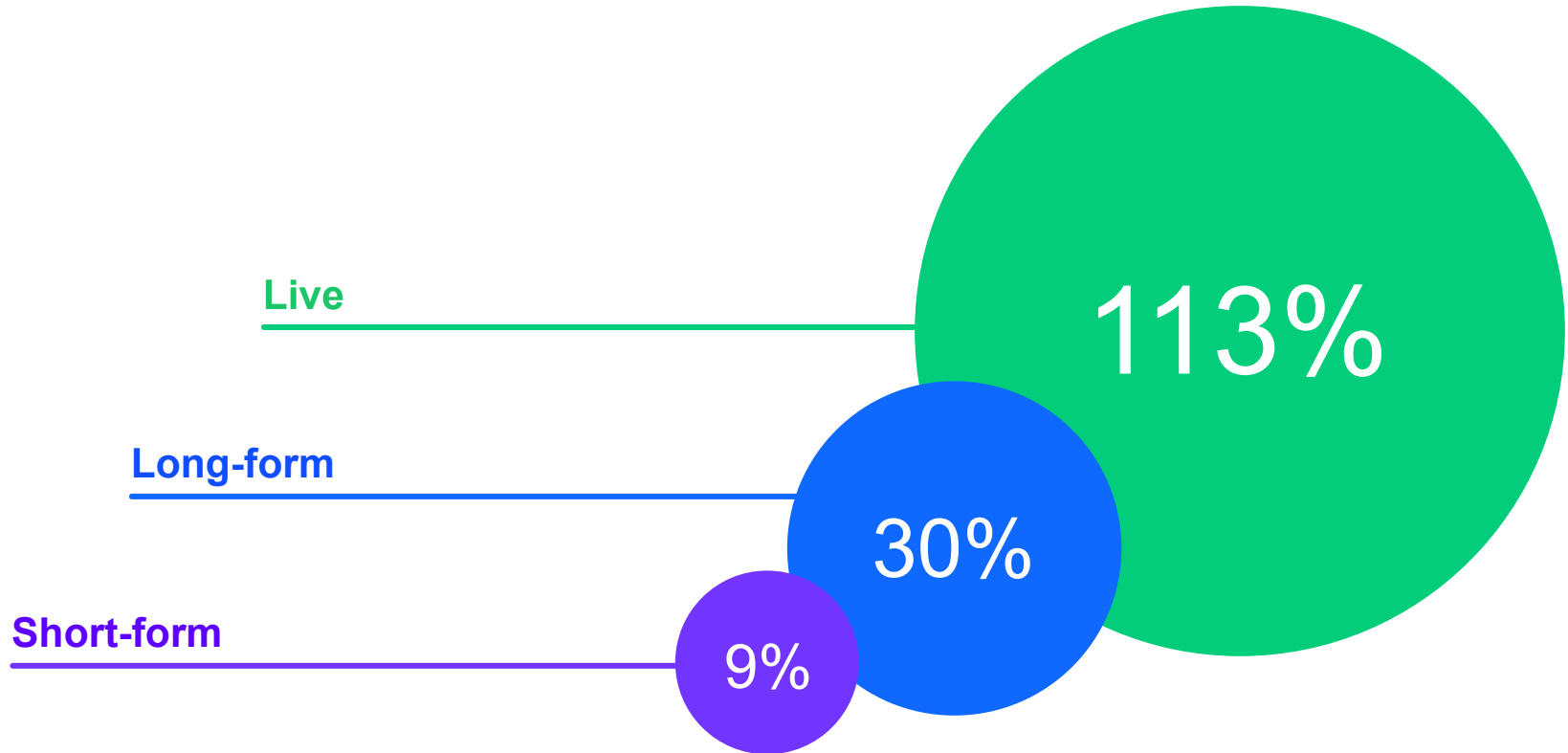
AS VIEWERSHIP ON DIGITAL DEVICES IS INCREASING, IS THE THIRST FOR LIVE CONTENT COMING WITH IT?

Increase in video watching in past year by device
(Top 2 Box: A lot/little more than a year ago)



YES, LIVE IS OUTPACING THE GROWTH OF OTHER TYPES OF ONLINE VIDEO

YoY ad view growth



OBJECTIVE & METHODOLOGY

KEY QUESTION:

Does Live represent the same opportunity online as it does on TV?

QUANTITATIVE (IPSOS):

Online Survey, Total N = 2,002

- 50/50 Live Online Video Viewers/Prospects
- P13-64
- Field Dates: 12/4/15 – 12/17/15

QUALITATIVE (DEEP FOCUS):

Facial Coding & Pre/Post Online Test

- ~50/50 A18-34 and A35-49
- Sports
- Entertainment
- News

AGENDA

1 Live Drivers

2 Ad Effectiveness in Live

3 The Evolution of Live

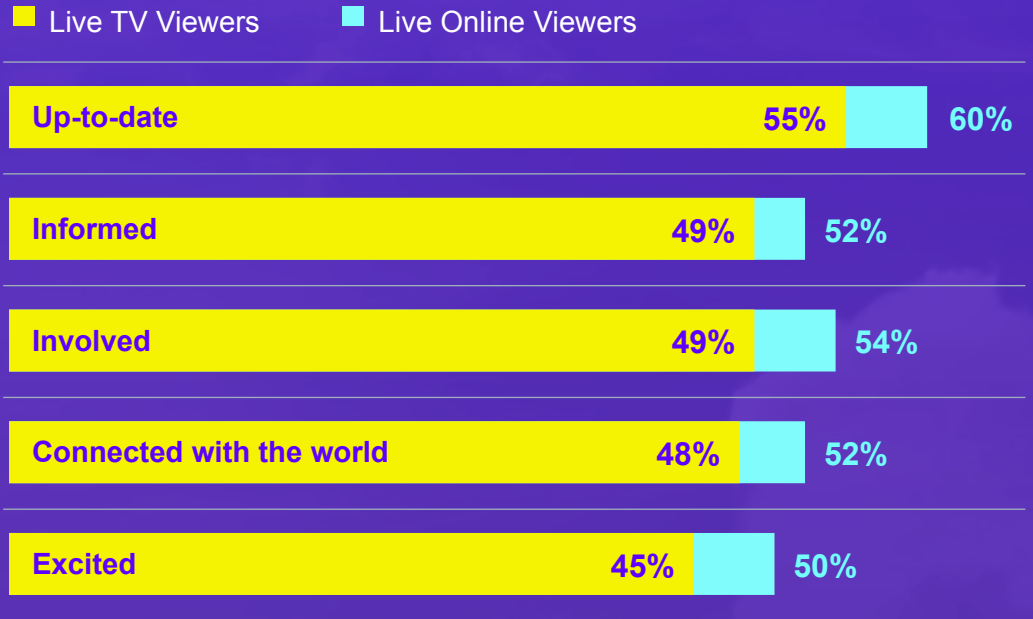
A close-up photograph of a person's hands holding a smartphone with a pink, textured case. The person has light blue nail polish and is wearing a ring on their left hand. The background is blurred, showing what appears to be a crowd of people. Overlaid on the image are two text elements: 'YAHOO!' in white inside a purple circle in the top left, and 'LIVE DRIVERS' in large white letters in the center.

YAHOO!

LIVE
DRIVERS

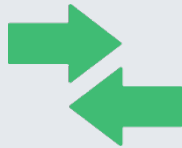
WHY LIVE STREAMING?

Online live viewers are more likely to feel excitement, immediacy, and connection



LIVE ONLINE PROVIDES VIEWING OPPORTUNITIES THAT TV CANNOT OFFER

Why Live Online is preferred to TV:
Live Online vs. Live TV



Mobility

51%



Excitement

59%



Multi-tasking Ability

48%

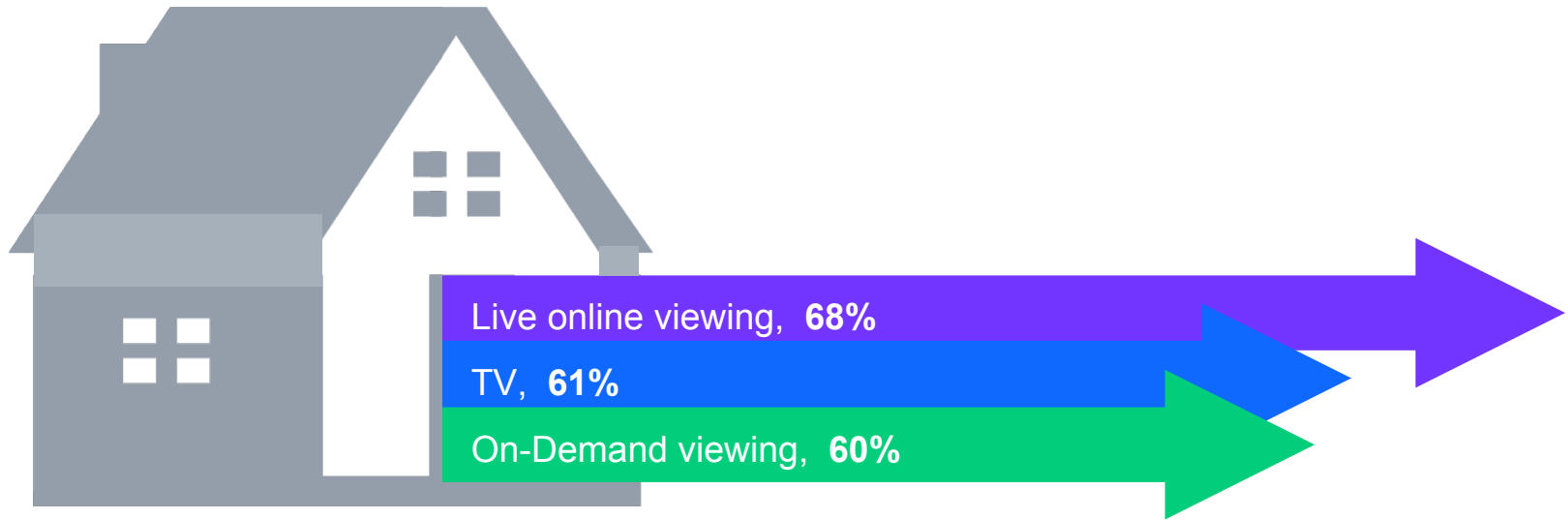


YAHOO!

MOBILITY

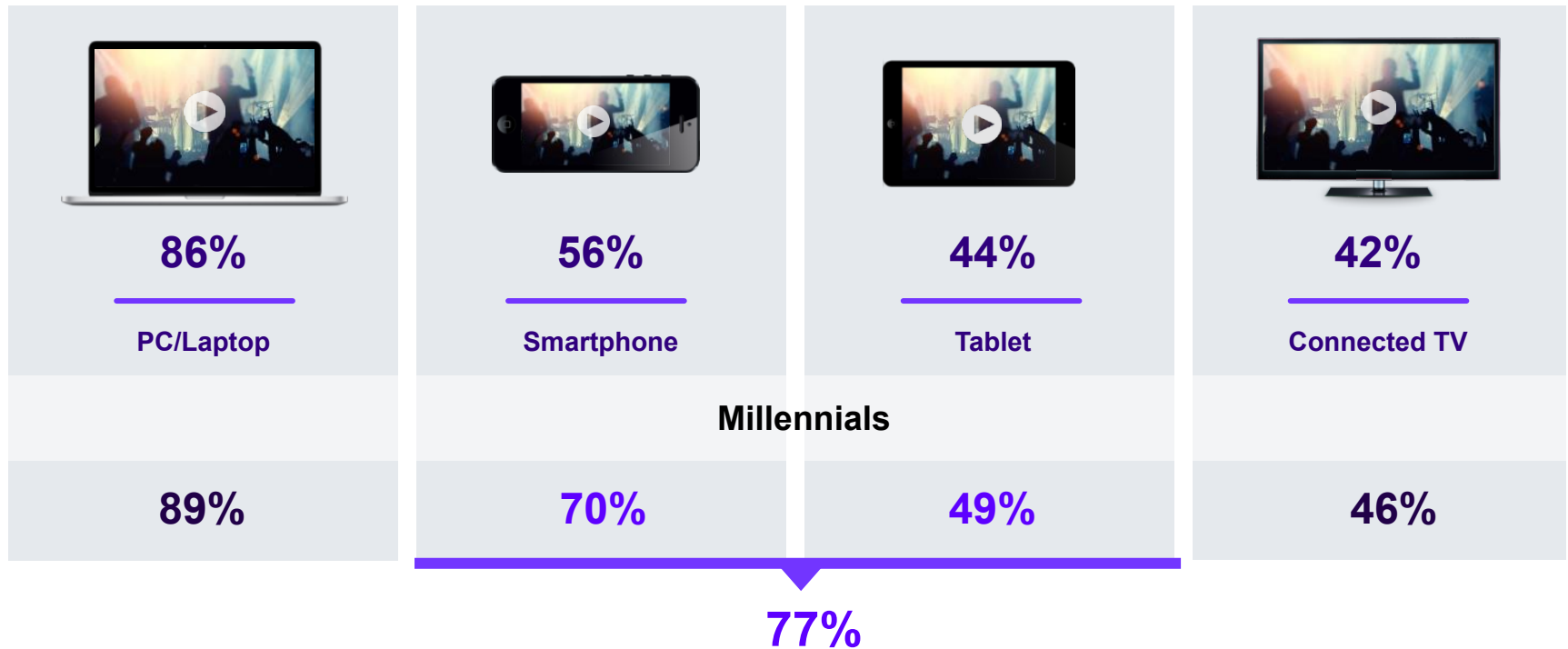
LIVE ONLINE VIEWING IS MORE LIKELY TO HAPPEN OUT OF HOME WHEN COMPARED TO TV AND ON-DEMAND VIEWING

Live Online/TV/On-Demand Away from Home



MILLENNIALS ARE LIKELIER TO CONSUME LIVE CONTENT ON MOBILE

Devices Used to Watch Live Online Content



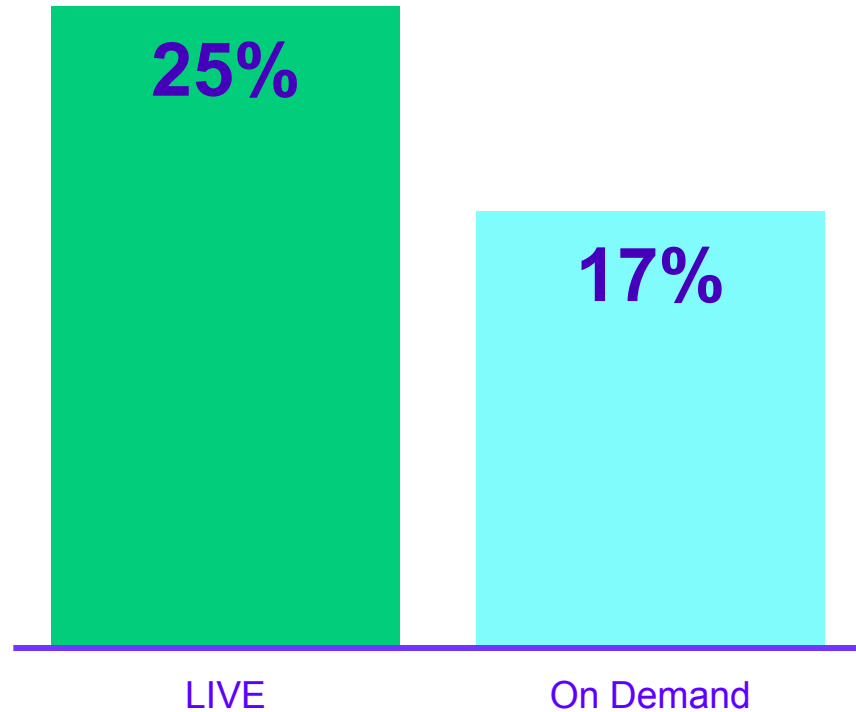


YAHOO!

EXCITEMENT

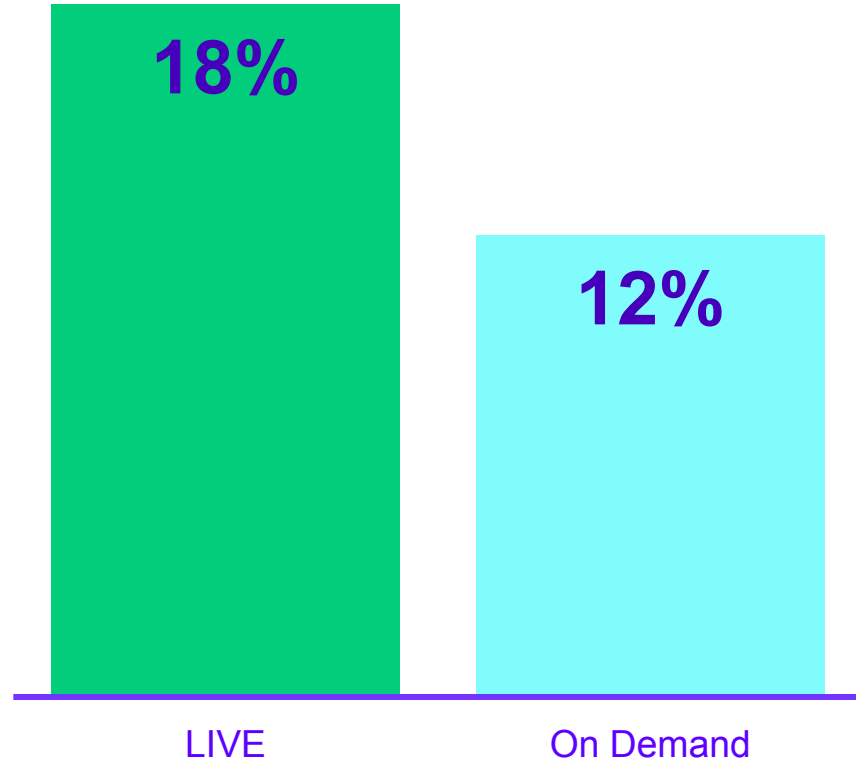
LIVE CONTENT ELICITS GREATER EMOTIONAL REACTION THAN ON-DEMAND CONTENT

Emotional engagement rate,
Average time spent
expressing any emotion



AND SPECIFICALLY, POSITIVE EMOTION WAS ALSO HIGHER ON LIVE CONTENT

Emotional engagement rate,
Average time spent
expressing positive emotion





YAHOO!

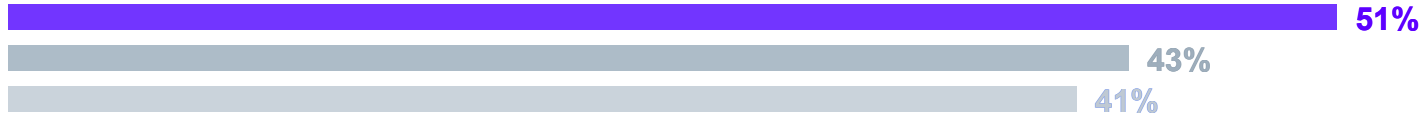
SHARING / MULTITASKING

LIVE ONLINE INSPIRES MORE SIMULTANEOUS ACTIVITY

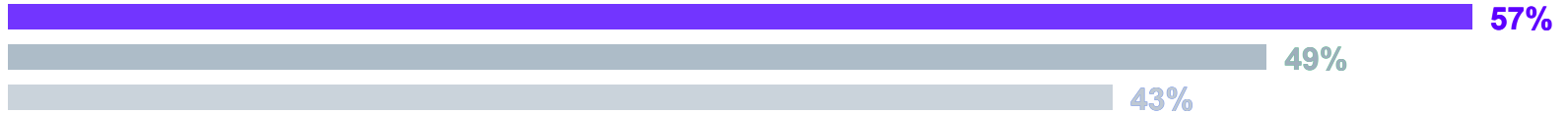
Activities during video consumption (about the content)

■ Live Online Viewing ■ On-Demand Online Viewing ■ TV Viewing

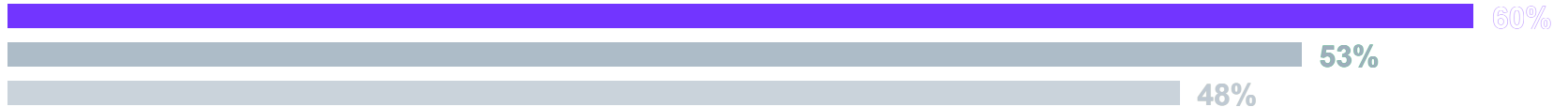
Email/Text



Social media



Search





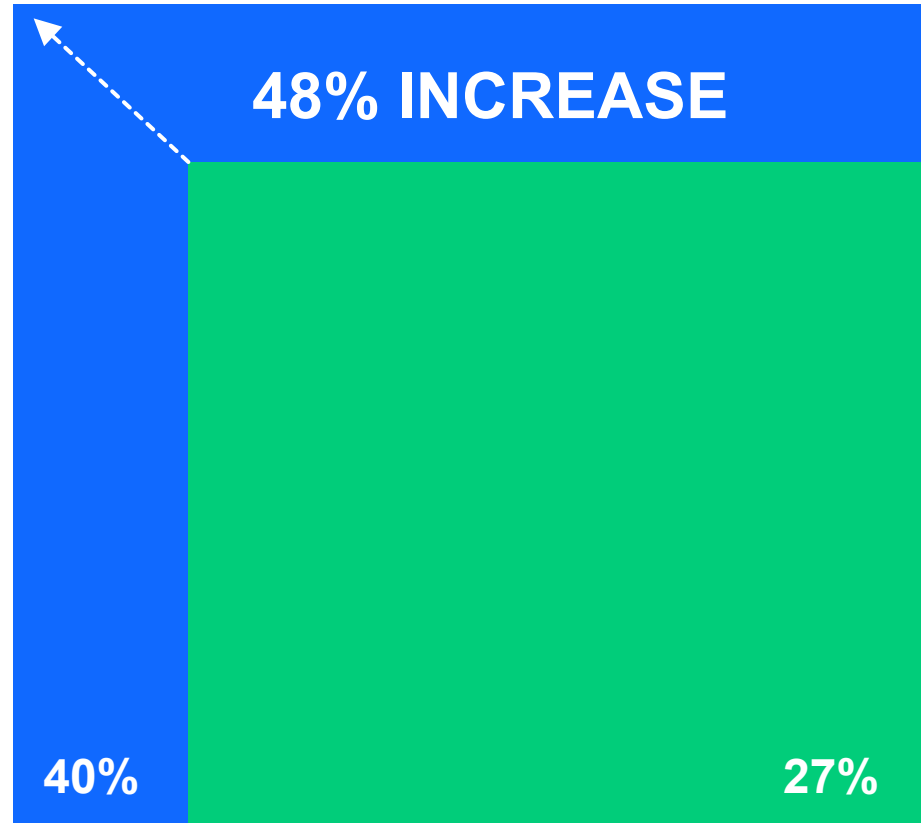
YAHOO!

AD EFFECTIVENESS IN LIVE

ON DIGITAL: ADS FIT BETTER IN LIVE-STREAMED CONTENT THAN ON-DEMAND CONTENT

Advertising fit with the content: Top 2 Box

- Live
- On-demand



Source: Yahoo Live Opportunity

ADS SEEN DURING LIVE CONTENT DRIVE GREATER EMOTIONAL ENGAGEMENT

% of time showing emotional
engagement with advertising

16% On-Demand

28% Live

75% INCREASE



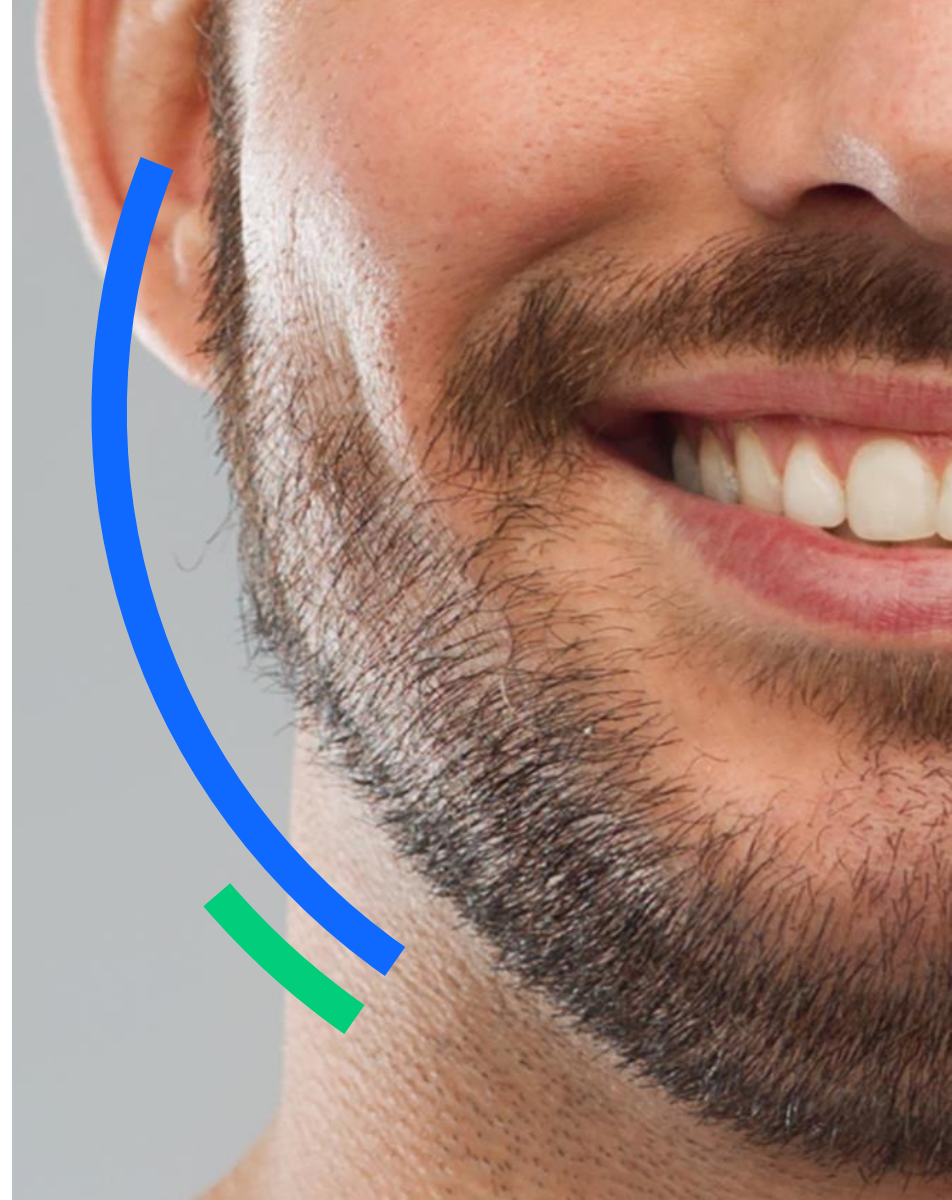
...AND THOSE EMOTIONS TEND TO BE POSITIVE

% of time spent expressing
positive emotions

2% On-Demand

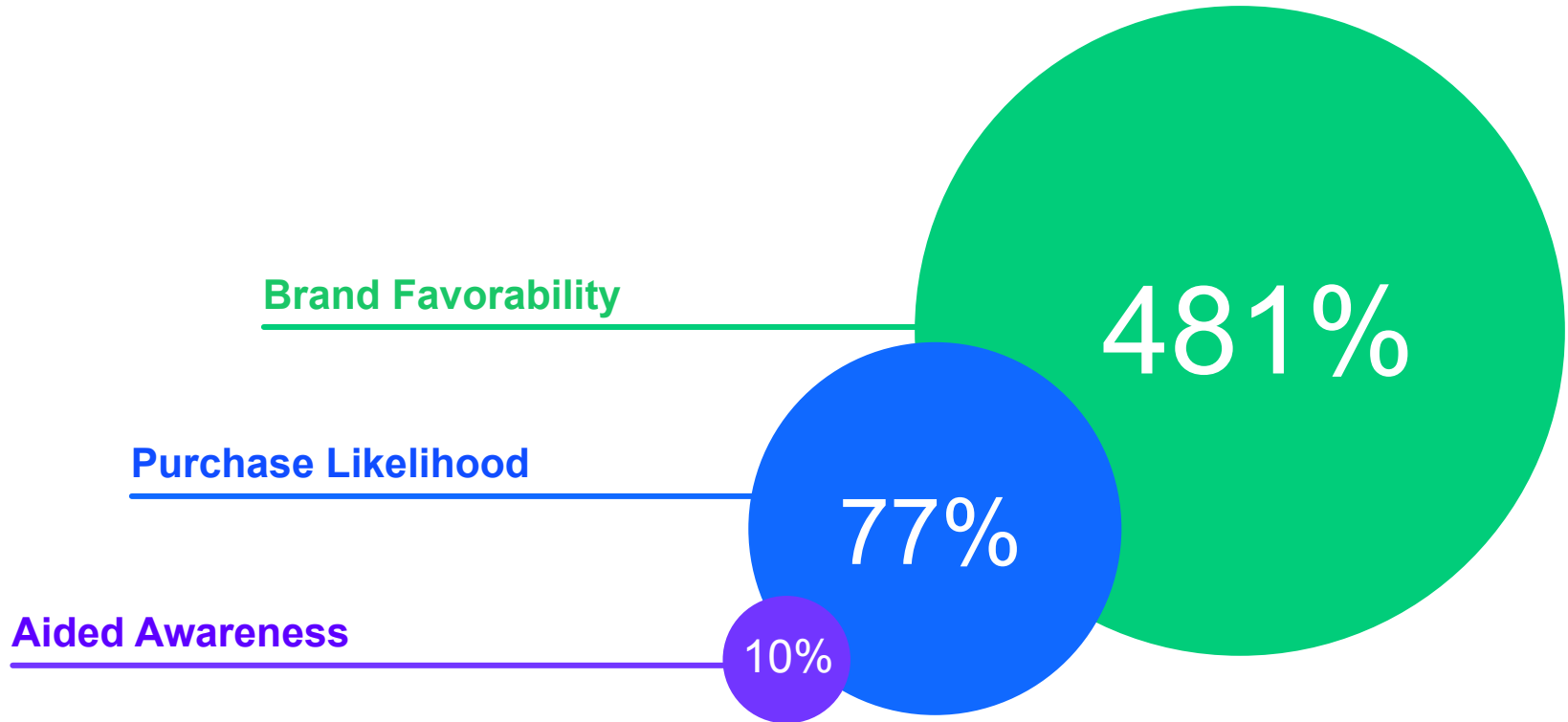
16% Live

700% INCREASE



THOSE POSITIVE EMOTIONS DELIVER A POSITIVE HALO EFFECT FOR ADVERTISERS ON LIVE CONTENT

Live vs. On-Demand: % Increase



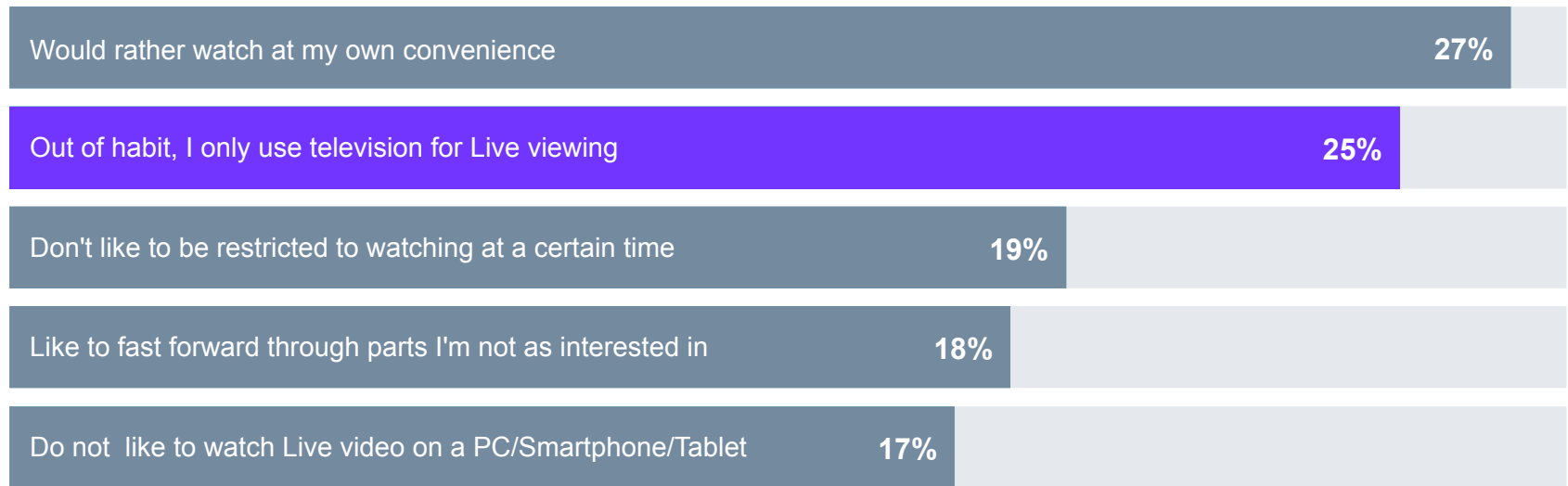


YAHOO!

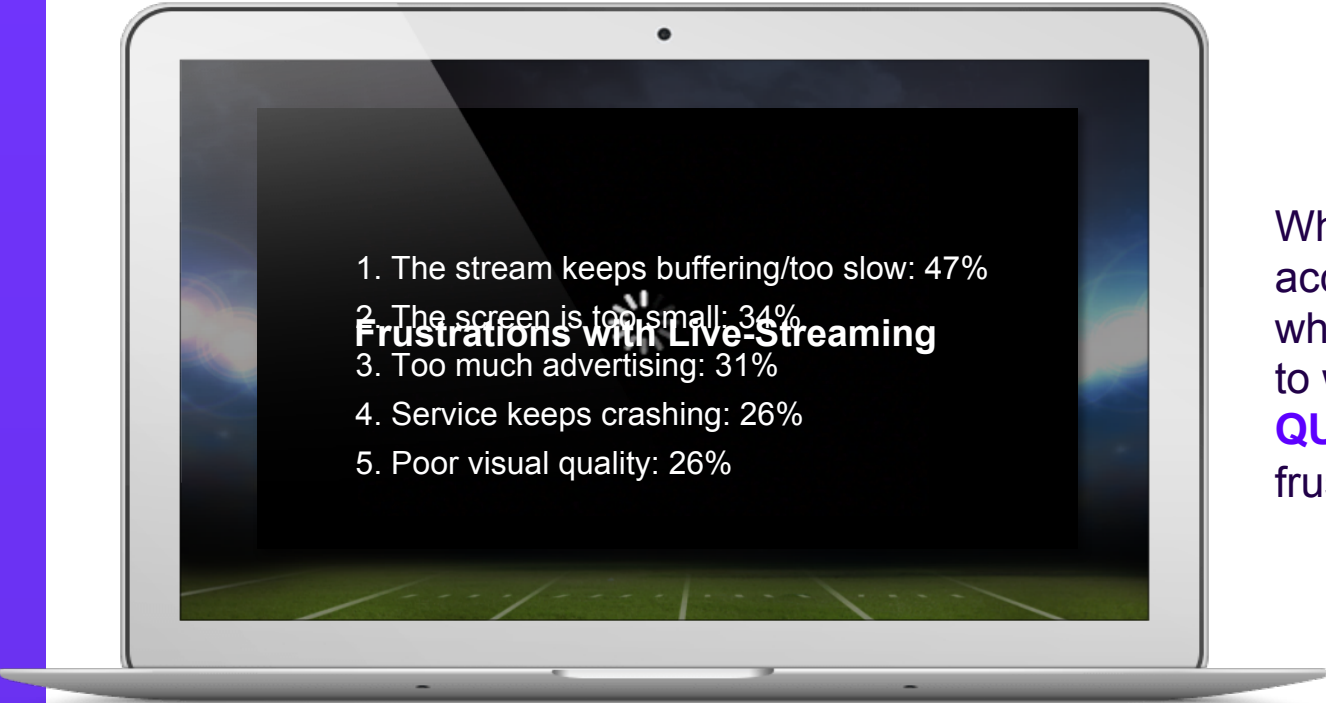
THE EVOLUTION OF LIVE

AS VIEWERSHIP ON DIGITAL DEVICES IS INCREASING, IS THE THIRST FOR LIVE CONTENT COMING WITH IT?

Prospects: Barriers to Live Online video consumption



STREAMING QUALITY IS THE BIGGEST BARRIER FOR LIVE

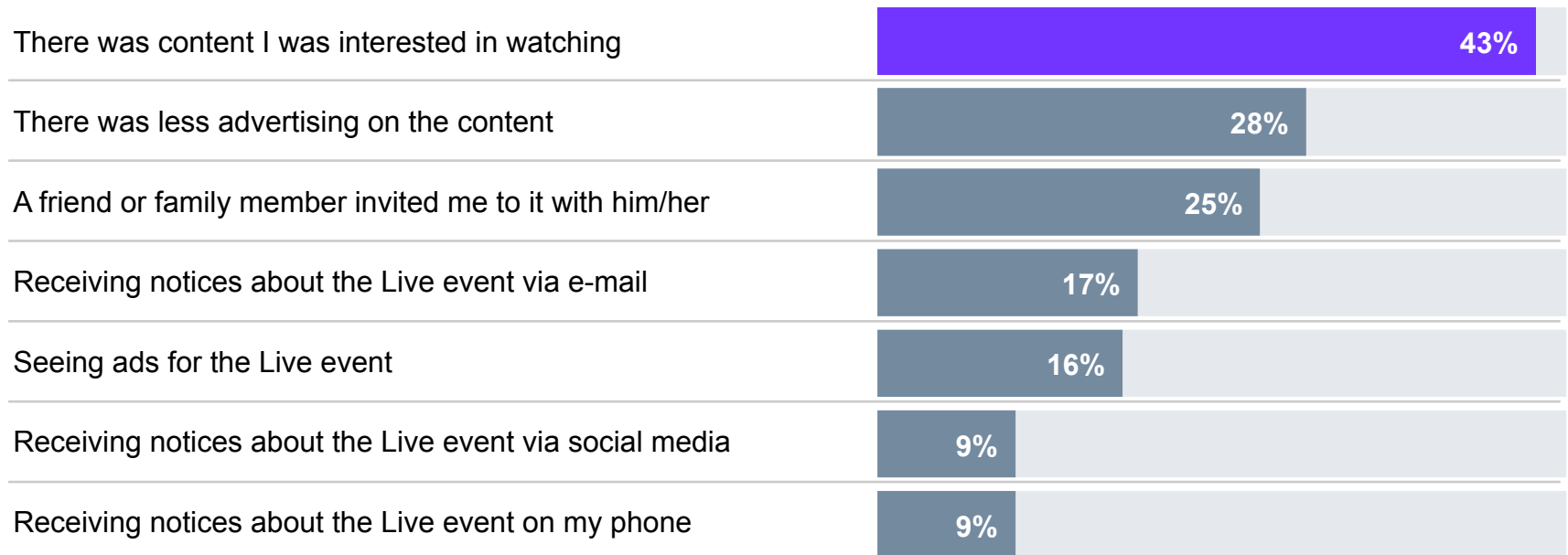
- 
- A silver laptop is shown from a slightly elevated front angle. The screen displays a dark background with a green field at the bottom. The text on the screen is white and lists five common frustrations with live-streaming, each followed by a percentage. The title 'Frustrations with Live-Streaming' is centered above the list.
1. The stream keeps buffering/too slow: 47%
 2. The screen is too small: 34%
 3. Too much advertising: 31%
 4. Service keeps crashing: 26%
 5. Poor visual quality: 26%

Frustrations with Live-Streaming

While streaming offers access to Live content wherever viewers want to watch, issues with **QUALITY** are the most frustrating.

BESIDES ADVERTISING, COMPELLING CONTENT IS THE PRIMARY MOTIVATOR FOR LIVE ONLINE VIEWING

Prospects: Motivators for Live Online video consumption





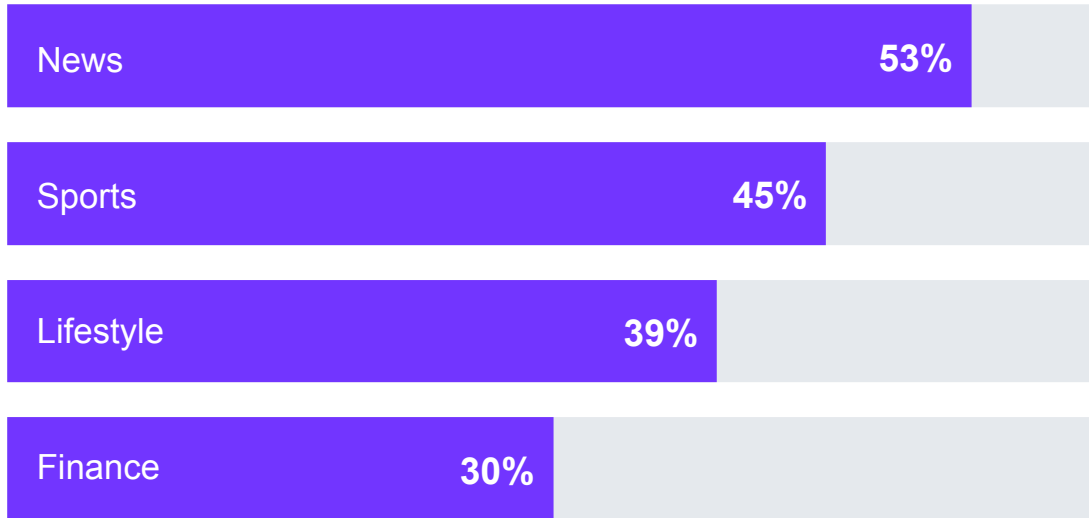
A donut chart with a purple segment representing 64% and a grey segment representing 36%. The text '64%' is centered in the purple segment.

64%

Have watched Live
Online video **in the
past year**

**THERE IS A SIZABLE
MARKET THAT
WATCHES LIVE
ONLINE VIDEO**

YAHOO PROVIDES THE LIVE VIDEO CONTENT THAT VIEWERS WATCH



Emilio, 27
Los Angeles

“...I have used Yahoo in the past few years primarily to stay updated some with Yahoo Sports. But I was pleasantly surprised when watching the NFL game. The coverage and quality were solid.”

LIVE ONLINE VIEWERS ARE RECEPTIVE TO WATCHING ON YAHOO



69%

Likelihood of watching future
Live-Streaming events on Yahoo



15MM

Unique viewers of Live NFL
game stream on Yahoo

KEY INSIGHTS & IMPLICATIONS

Take advantage of the advertising opportunities provided by Live Online Video:

Mobility

- 77% of Millennials who watch live online content do so on a smartphone or tablet.
- Streaming and connection speed will improve with enhanced LTE and 5G services, so be prepared to meet your consumers where and when they want to engage with live content: across multiple devices.

Excitement

- Sponsoring live-streaming events delivers a more exciting and connective experience than watching live events on TV.
- Advertise on the digital Live events consumers are looking to watch (News, Sports, Lifestyle, Finance) to enjoy the halo effect of the positive emotions they provide to consumers.

Multi-tasking Ability

- The community aspect of multi-tasking during live online events fosters sharing and more brand engagement opportunities.
- Leverage re-targeting as a strategy on Live online content, as viewers are likely to search during live event viewing.