WELCOME TO

THE CINEMA MEDIA SHOWCASE





WELCOME TO ODEON LUXE LEICESTER SQUARE

Nigel Sharrocks Chairman, Digital Cinema Media





WHY CINEMA IS THE BEST SEAT IN MEDIA FOR TRUSTED BRAND STORIES

Karen Stacey
CEO, Digital Cinema Media





TODAY'S AGENDA

- Why Cinema is THE BEST SEAT IN MEDIA for trusted brand stories

 Karen Stacey, CEO, Digital Cinema Media
- Arresting the decline of public trust in UK advertising

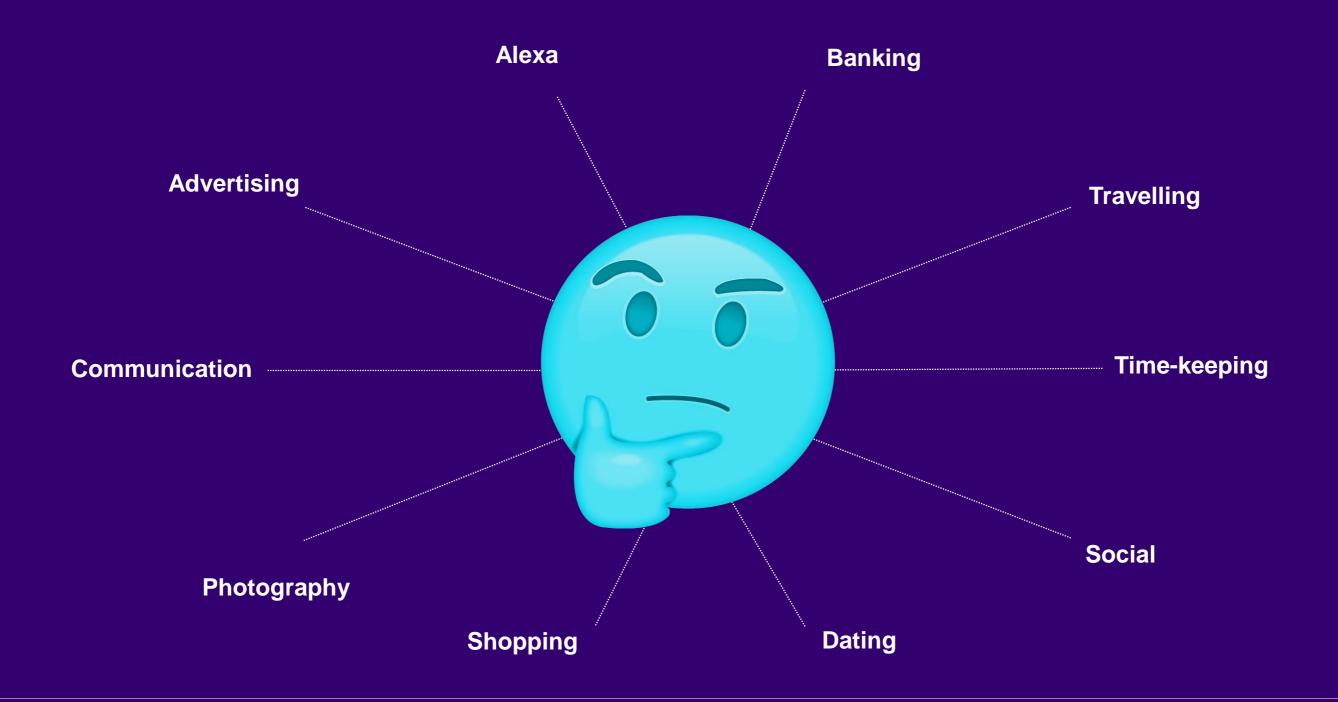
 Karen Fraser MBE, Director of Credos, Advertising Association (AA)
- Building successful brands the role of trust

 Martin Guerrieria, Global BrandZ Research Director, KANTAR
- Taking Chicken Town to Hollywood

 Jack Hinchliffe, Marketing Director, KFC UK&I
- The big screen in 2019, 2020 and beyond

 Tom Linay, Content Business Director, Digital Cinema Media















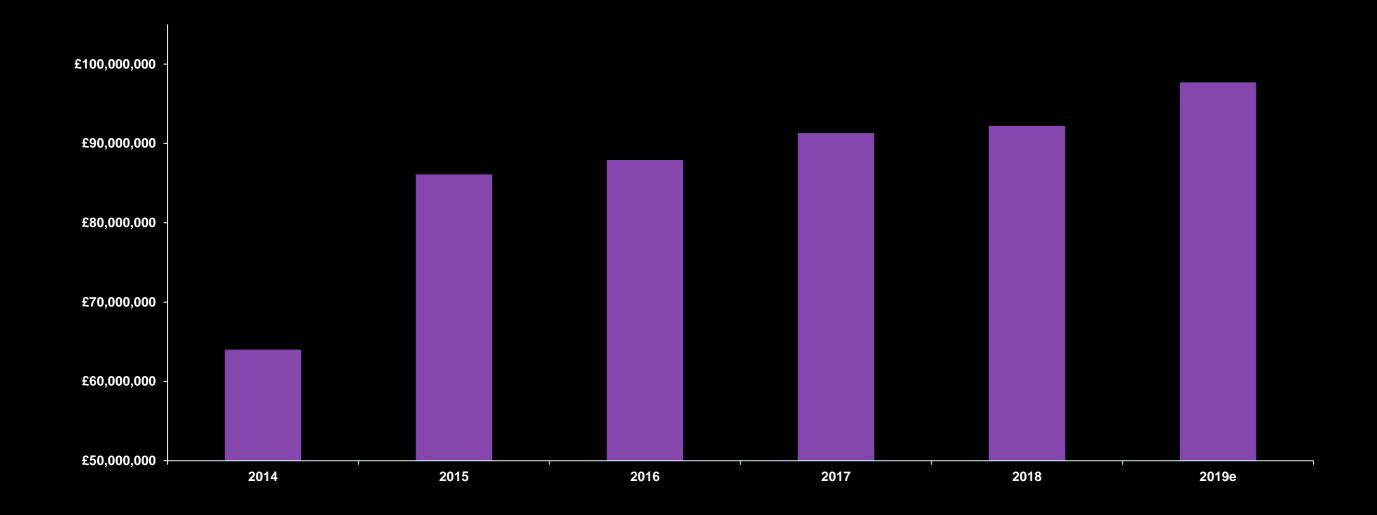




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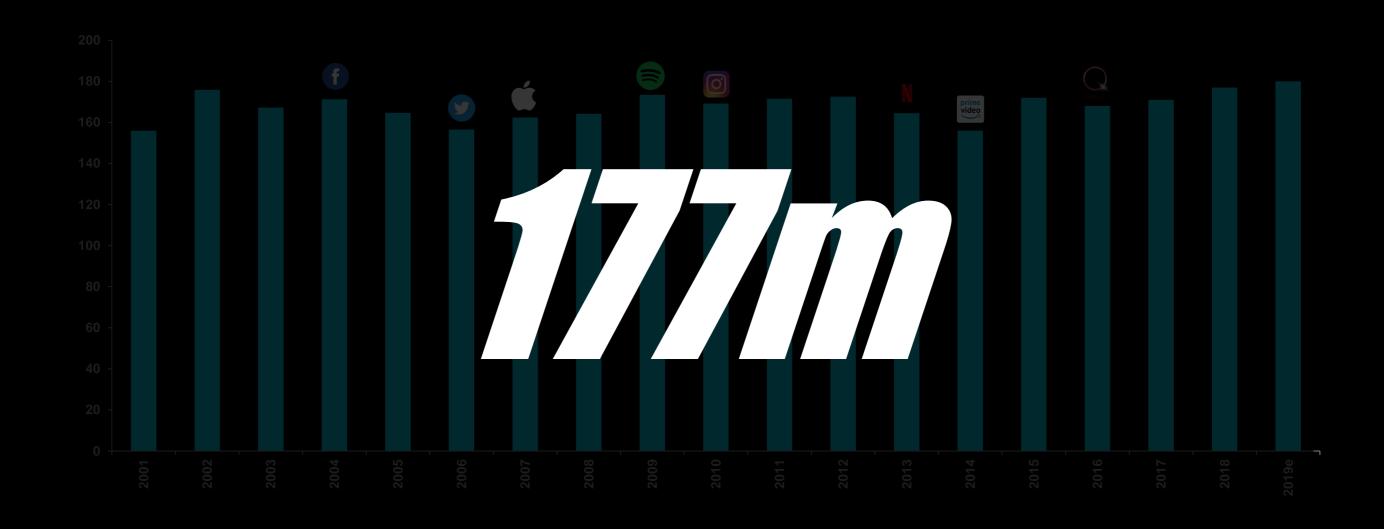
CINEMA'S YEAR-ON-YEAR REVENUE PERFORMANCE







STANDING THE TEST OF TIME





BUILDING BOX OFFICE BRANDS IV

UNDERSTANDING AUDIENCES



WHAT WE FOUND

STRONG
AFFINITY WITH
BRANDS

LOVE QUALITY
ENTERTAINMENT
CONTENT

LIKE ADS IN THE RIGHT CONTEXT

16-34s feel 'Hounded by Advertising'





2 IN 5 16-34s USE AD BLOCKERS





CINEMA ADS HELP BRING THE VIEWER INTO A 'BUBBLE'



72% OF 16-34s AGREE

THAT "CINEMA IS A BUBBLE WHERE THE OUTSIDE WORLD CAN'T INTRUDE"

66% OF 16-34s AGREE

THAT "I PAY MORE ATTENTION TO ADS IN CINEMA THAN ELSEWHERE"

70% OF 16-34 'AD AVOIDERS' AGREE

THAT "I TALK TO THE PEOPLE I GO TO THE CINEMA WITH ABOUT THE ADS (WHILST WATCHING THEM)"

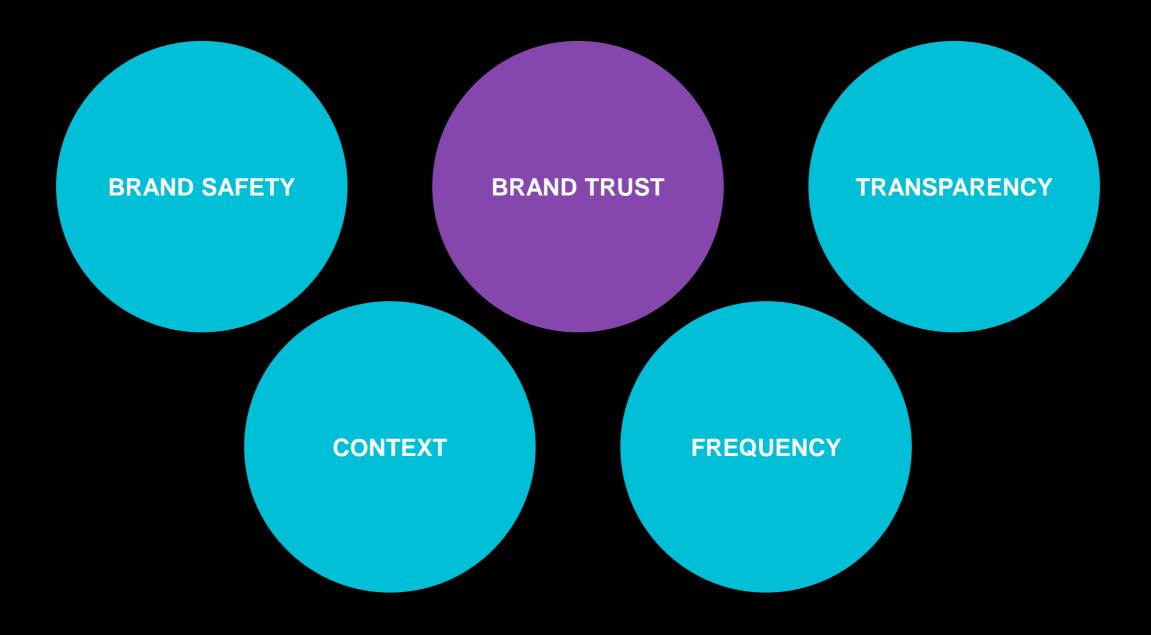
PEOPLE ARRIVING AT START OF PRE-SHOW +15% SINCE 2014







OUR RESPONSIBILITY





ARRESTING THE DECLINE OF PUBLIC TRUST IN UK ADVERTISING

Karen Fraser MBE

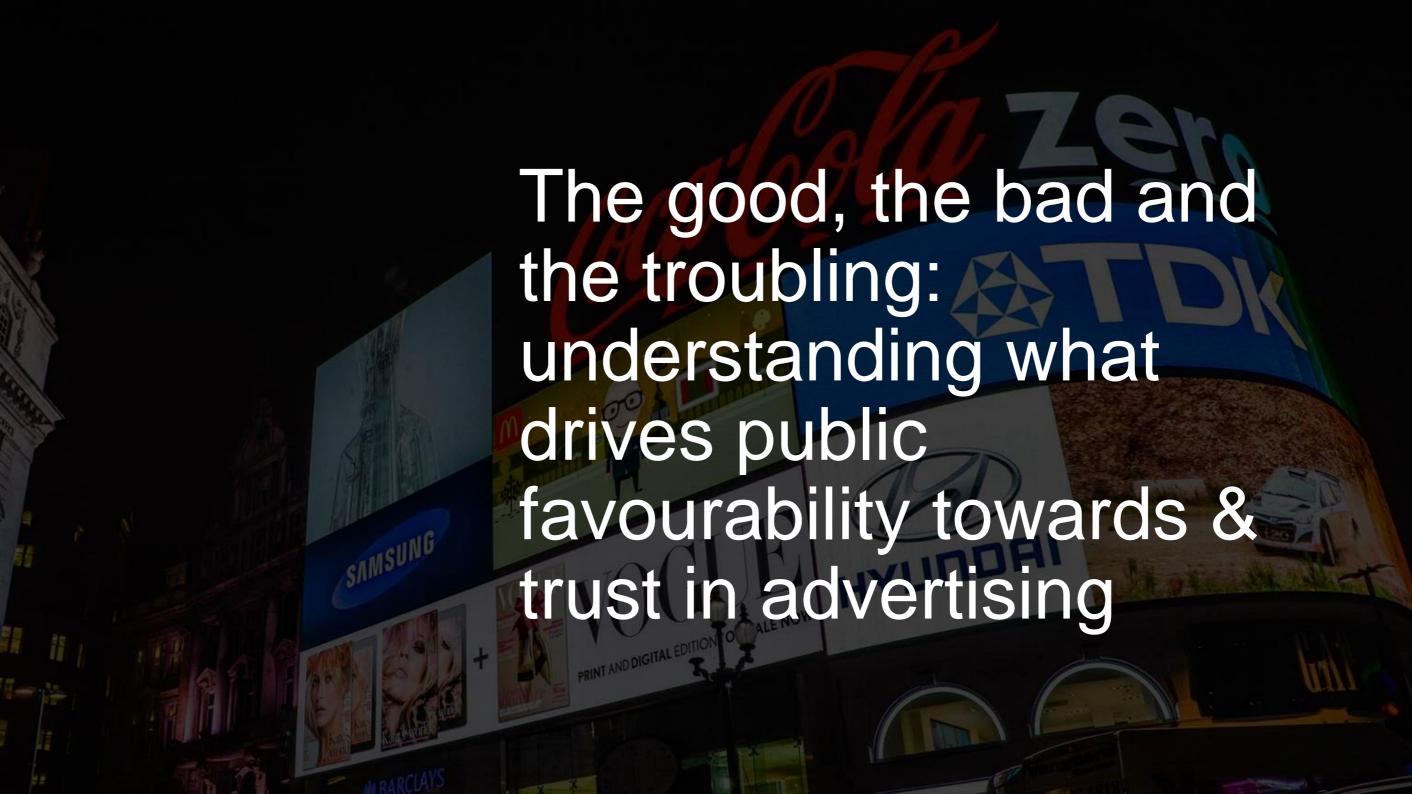
Director of Credos, Advertising Association (AA)



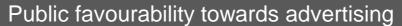


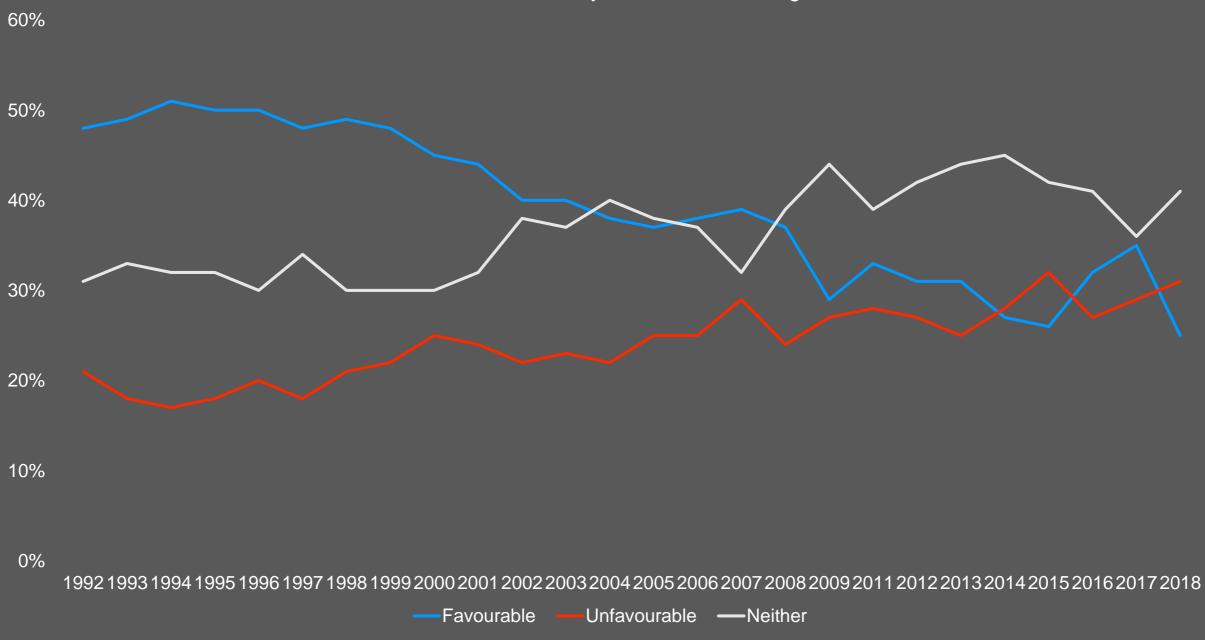


Advertising's Think Tank



Public favourability towards advertising is in long-term decline





Q: Now thinking about all types of advertising – on television, in newspapers and magazines, on the radio, on posters, on social media and on the internet etc. How do you feel about advertising in general? (Net favourable)

Stage 1: Burst the bubble



Qualitative research

- 10 days of online self-completion tasks – 60 people
- Filmed ethnography and depth interviews – 12 people
- Self-completion tasks using camera glasses – 6 people
- Self-completion tasks using screen capture software – 6 people

Quantitative research

- A survey of a nationally representative sample of 2,021
- Data weighted to ONS figures by age and gender
- Factor analysis used to identify six overarching factors
- Regression analysis used to measure the impact of each factor on public favourability towards and trust in advertising

What did we learn?

Advertising is seen as a good thing with downsides



"How do I feel about advertising?

Bad.

No, good.

Well I liked that Tango one in the 90's.

I just wanna watch my bloody YouTube video! Skip! Skip!

Errr I'm not sure now.

But why?

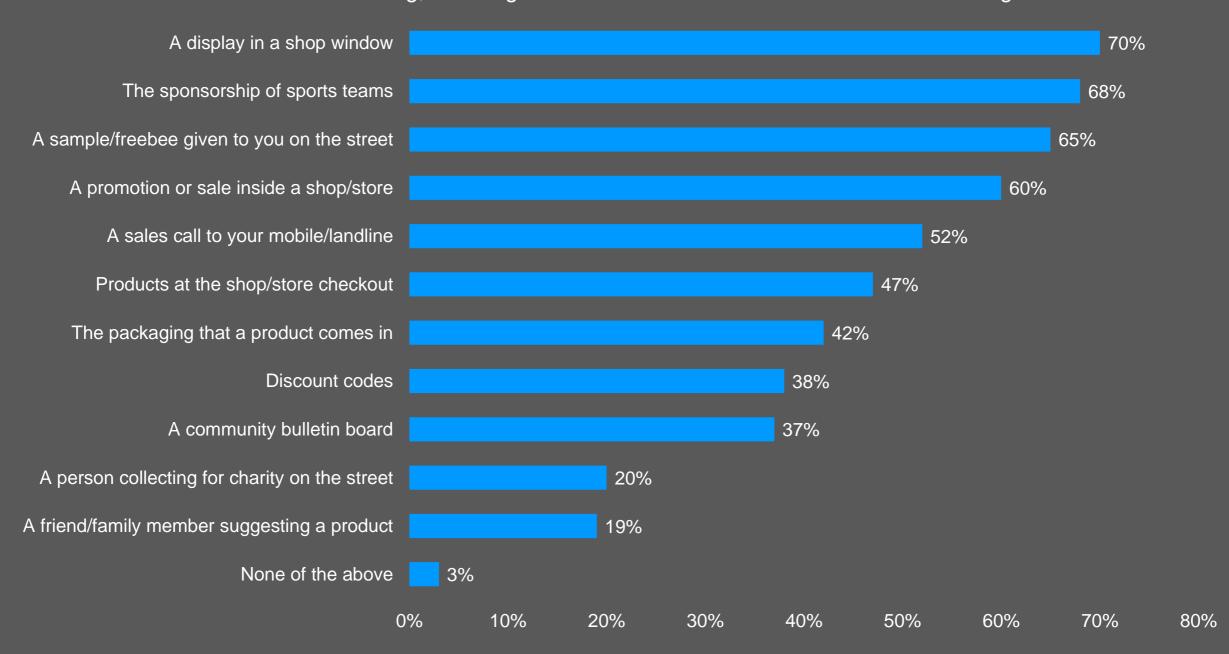
Maybe I need to start by thinking about what advertising is..."

Male, 35, Doncaster



People define advertising in broader terms than we do

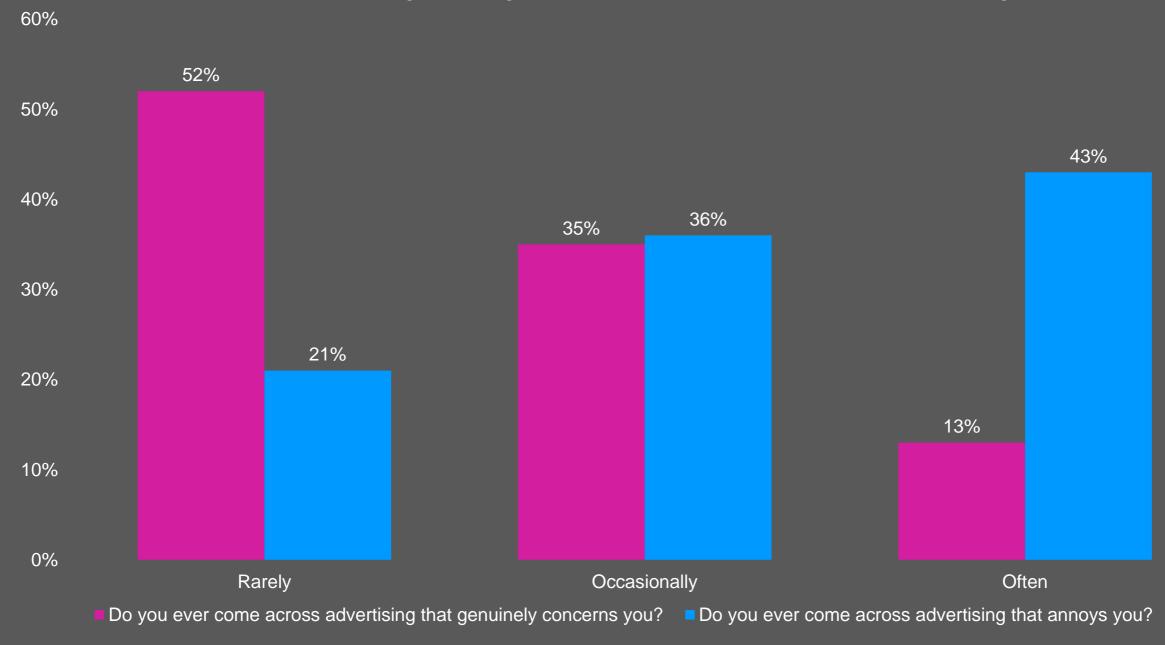
Forms of marketing, branding and communication considered to be "advertising"



Q: Which of the following do you consider to be "advertising"? Select any that apply.

It is easier to be annoyed by advertising than concerned by it

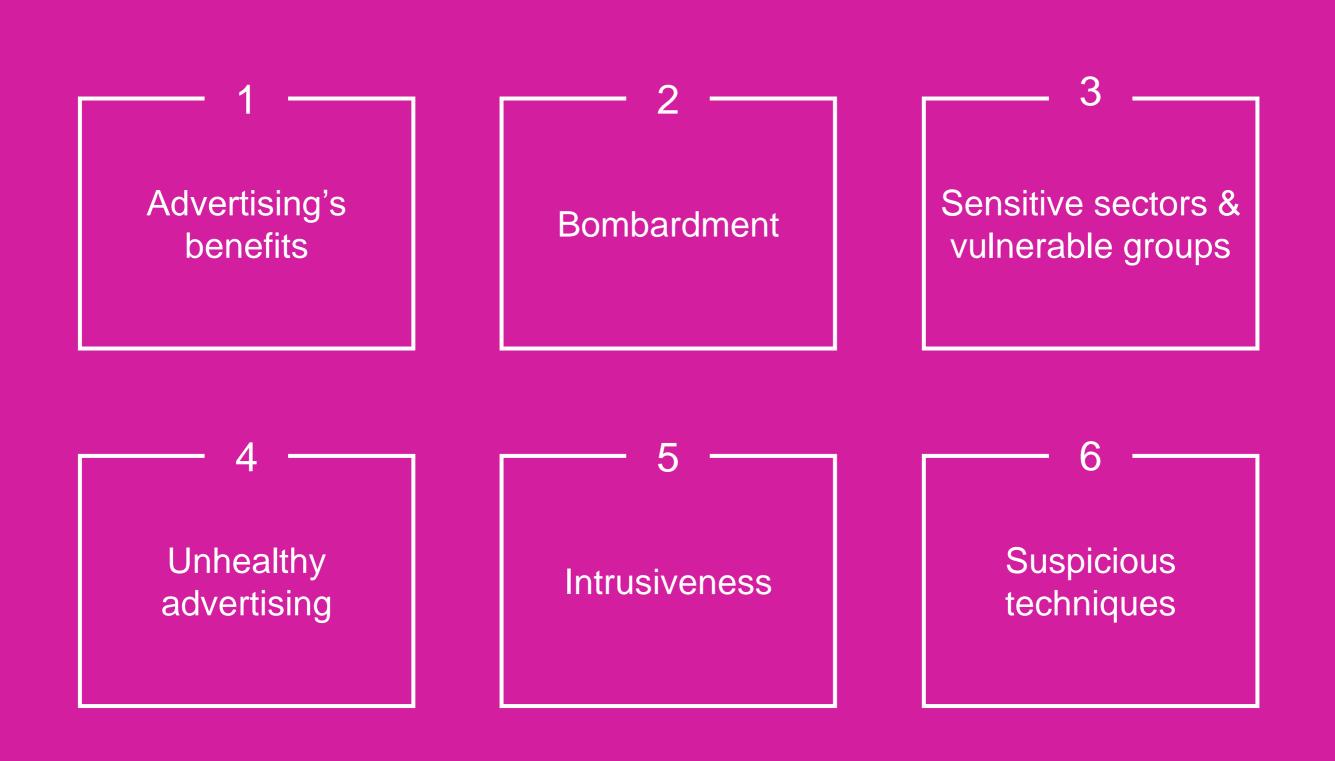


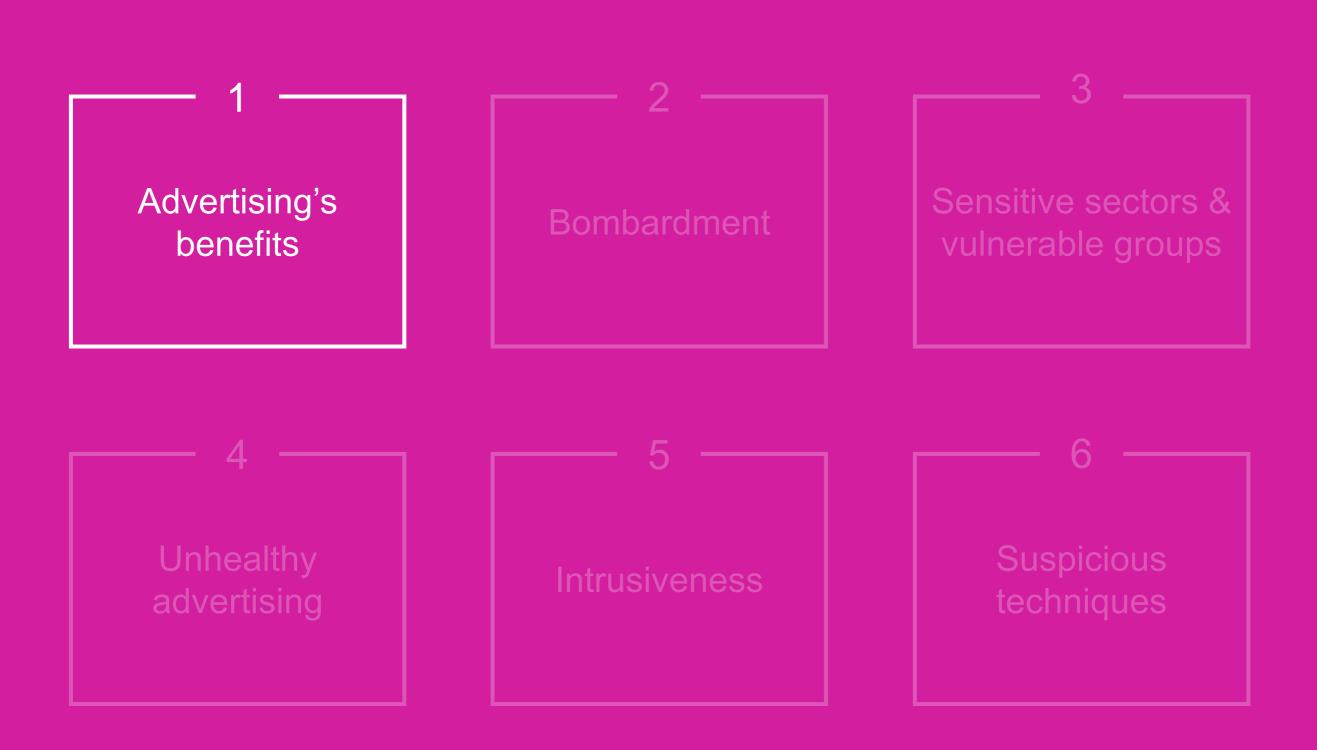




At the level of a specific ad, the brand is the greatest determinant of trust

What drives public perceptions of advertising as a whole?

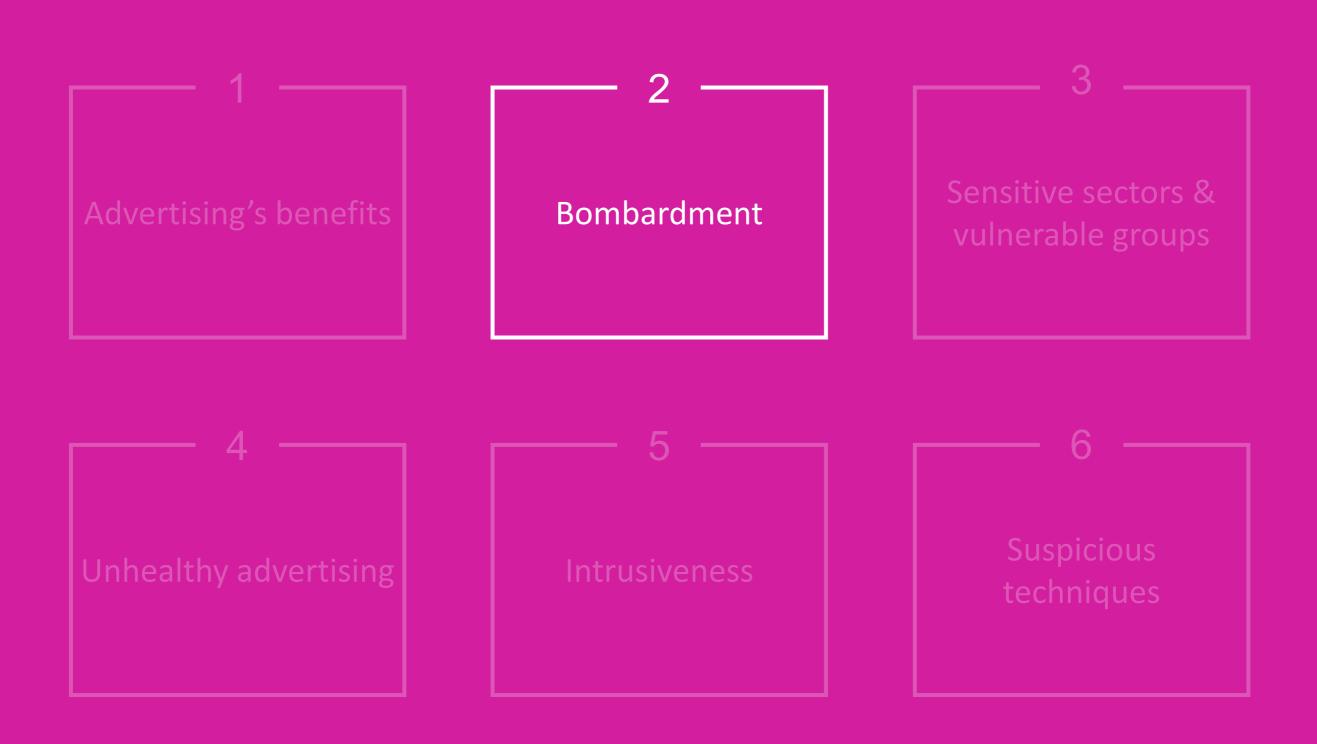




- A source of information
- A form of entertainment
- A force for social good
- An emotional touchstone

"A response to a recent run of NHS adverts lead to the early discovery of my father's cancer and therefore in my mind saved his life."

Male, 35, Doncaster



- Volume
- Repetition
- Obtrusiveness
 - Irrelevance

"Every 15 minutes an advert comes on, and that could be the same advert that's come on before, and that can be annoying, watching the same thing again and again. So I tape that episode [...] and fast forward through the adverts, it only takes ten seconds."



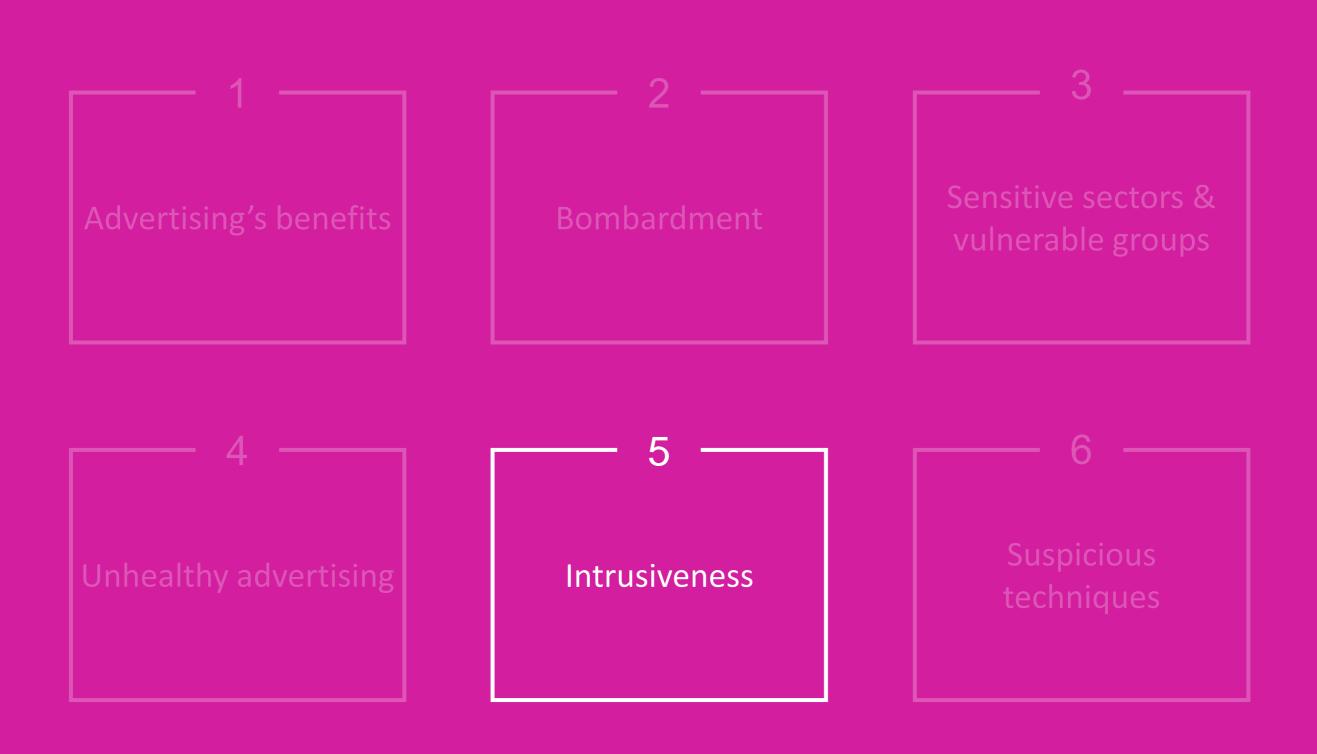


- Vulnerable groups
 - Payday loans
 - Gambling

Alcohol

• HFSS

"From personal experience, I'm from a very working class town. I'm from a part of the UK that definitely has a problem with alcohol. And the volume of the gambling, and the quick loans, and the fact that they're allowed to do that, TV advertising particularly, needs to be regulated. That's not from some non-affected, removed position. That's me from having had experiences of gambling myself, and seeing other people have problems with that and with other addictions."

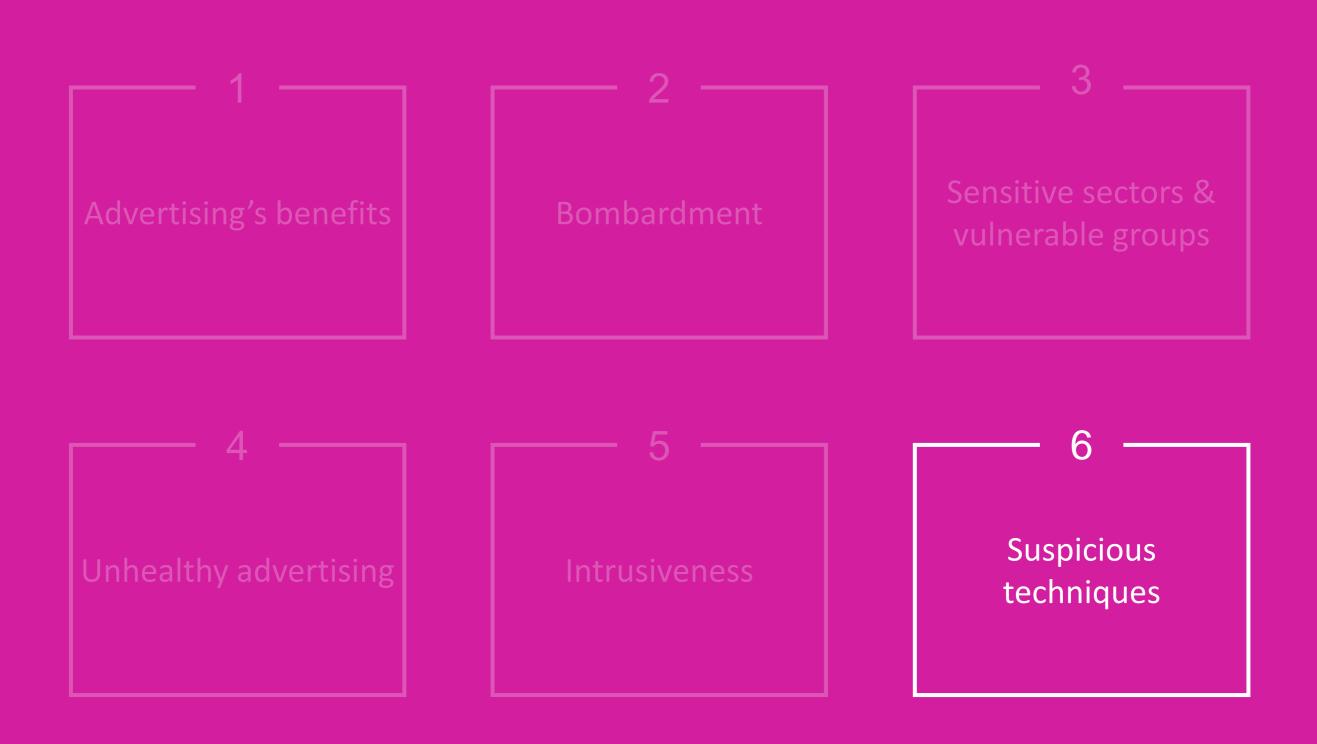


Personal data

Private spaces

The adverts on my Facebook mails, I just don't like to see other stuff in there... it's actually a private space in Facebook, you kind of appreciate that your newsfeed isn't a private space, everyone can see your posts and things like that, but on your messages, that is quite intrusive.

Female, 19, Glasgow



- Misleading claims
- Unclear advertising formats
- Questionable use of T&Cs
 - Body image

"I say 'conned' because it's been done in a very roundabout sly way. I feel they're trying to trick me, they're trying to make me think I'm going through my newsfeed, they're trying to make me think my friend's posted this, they're trying to make me think my friend's sent me this email, in actual fact they haven't."

Female, 25, Sheffield

Where next?

- Address the negatives
- Promote the benefits
- Don't expect people to help



Advertising's Think Tank

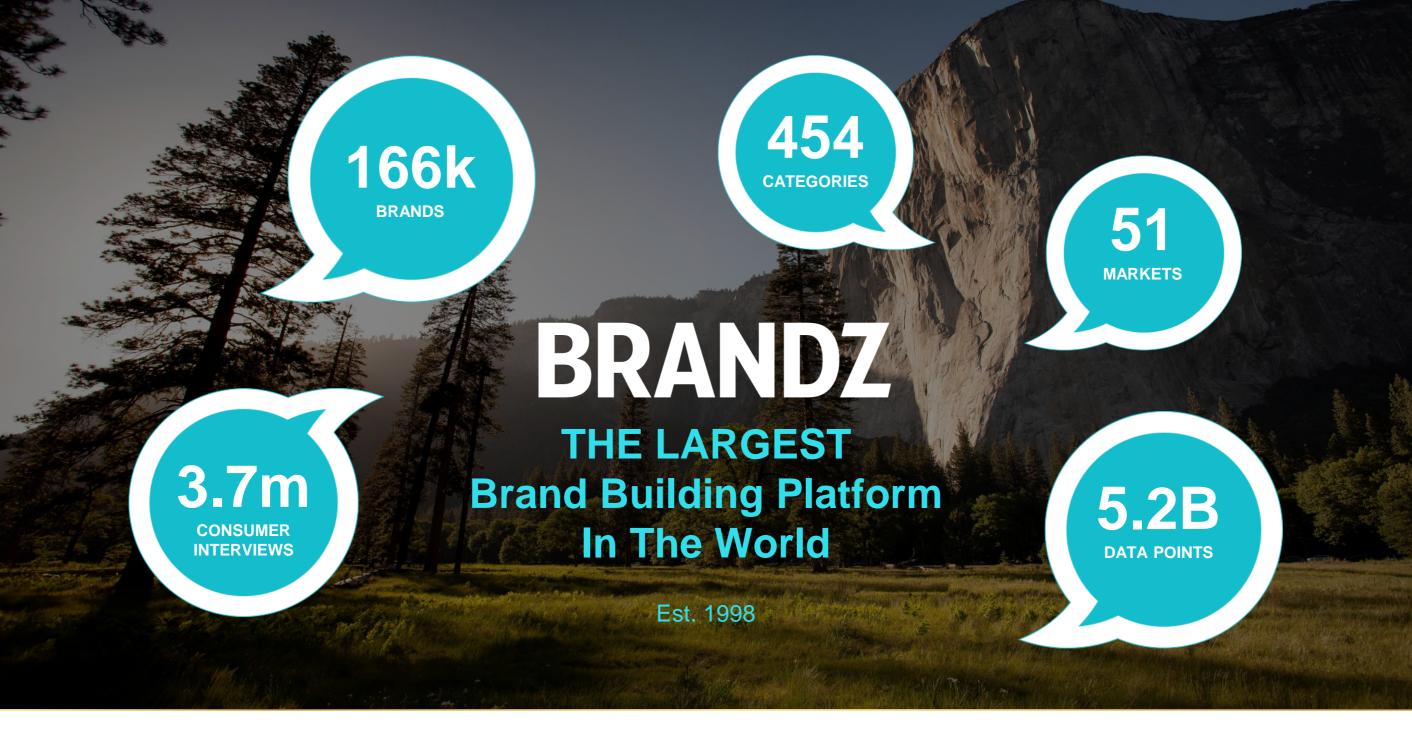
BUILDING SUCCESSFUL BRANDS — THE ROLE OF TRUST

Martin Guerrieria
Global BrandZ Research Director, KANTAR









2019 BrandZ™ Global Top 100



Most Valuable Brands

1	amazon
2	É
3	Google
4	Microsoft
5	VISA
6	facebook
7	CAlibaba Group 同盟巴巴集団
8	Tencent 腾讯
9	McDonald's
10	⊜ AT&T
11	verizon ^v
12	
13	IBM
14	Coca Cola
15	Marlboro
16	SAP
17	DISMEG

18	ups
19	
20	xfinity
21	
22	Y
23	WELLS FARGO
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27 28 29 30 31	中国移动 China Mobile accenture ICBC 国 中国工商银行 Spectrum CHANEL

35	END.
36	(intel)
37	HERMÉS PARIS
38	SAMSUNG
39	► YouTube
40	中国平安 PING AN
41	TOYOTA
42	illialia CISCO.
43	LORÉAL
44	0
45	Adobe
46	salesforce
47	W HUAWEI
48	%
49	O vodafone
50	ORACLE"
51	Budweiser

52	$G \cup C \cup I$
53	Uber
54	Mercedes-Benz
55	()
56	HSBC
57	RBC
58	Linked in.
59	China Construction Bank
50	HDFC BANK
61	ZARA
62	COSTCO
63	Baida音度
64	orange"
65	
66	京东
67	CHASE 🗘
88	₩ LIC

59	FedEx.	86
70	O NTT	87
71	D iDi	88
72	TD	89
73	J.P.Morgan	90
74	mI .	91
75	M movistar	92
76	(KEA)	93
77	cîti	94
78	美団	95
79	Pampers.	96
30	E x onMobil	97
31	D¢LL Technologies	98
32	中国农业银行 AGRICULTURAL BANK OF CHINA	99
33	Bank of America 🎾	10
34	Colgate [*]	_

85 KFC

86	SUBWAY
87	XBOX
88	-7
89	Haier
90	AID.
91	CommonwealthBank
92	SIEMENS
93	M
94	Lowe's
95	usbank.
96	##ALDI
97	TATA CONSULTANCY SERVICES
98	<i>Gillette</i> [™]
99	№ BCA
100	41.



The world's most valuable brands invest in cinema to connect with consumers









XX RBS



BURBERRY

































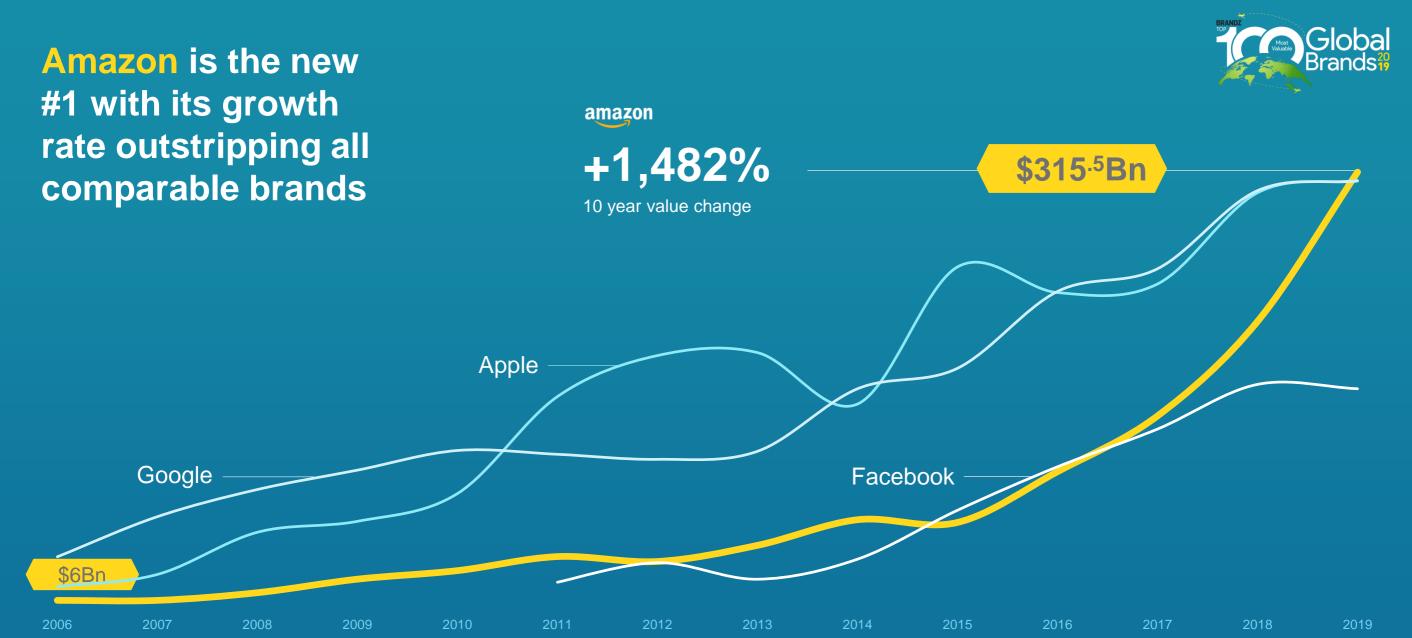
















Amazon delivers to a consistently high standard across an ever increasing portfolio – a true ecosystem



Brand equity

144

Index score Average brand = 100 **amazon**kindle

amazon fire T∨

amazon music

amazonfresh

amazon pay

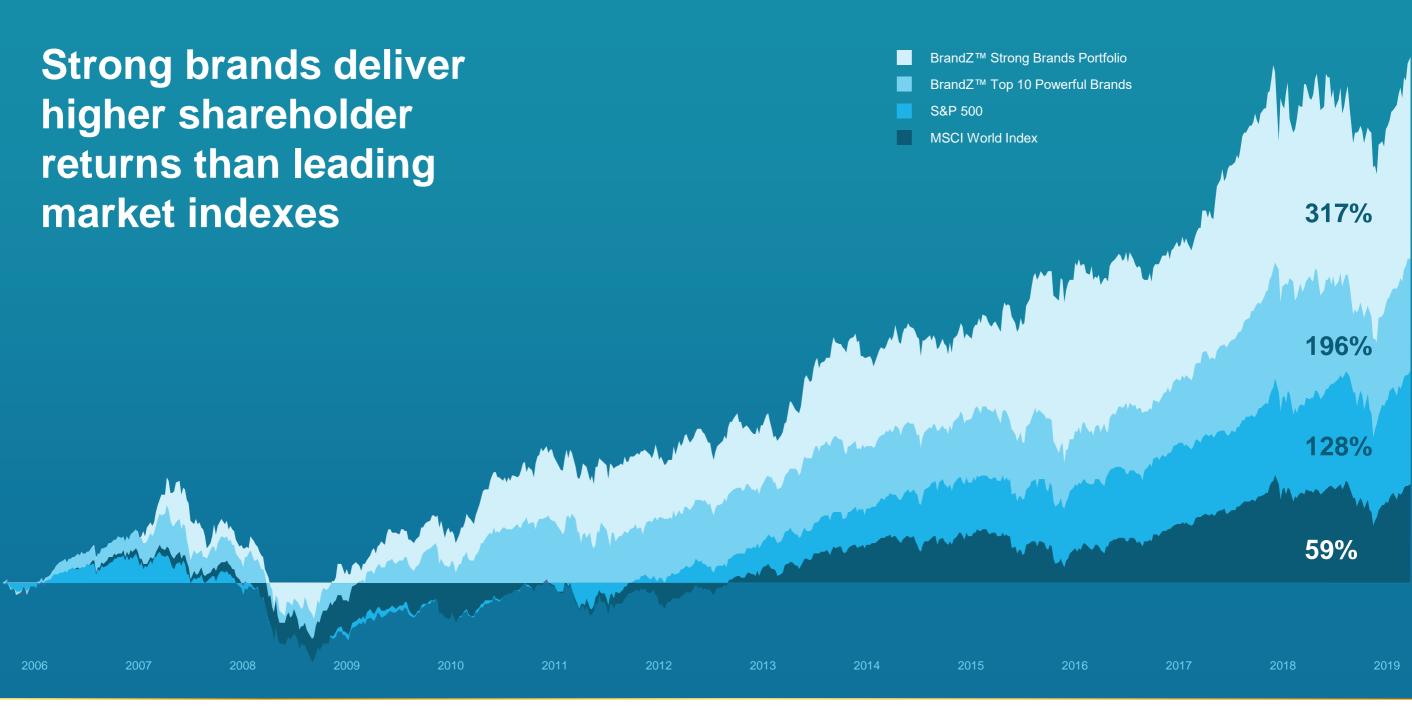
amazon alexa







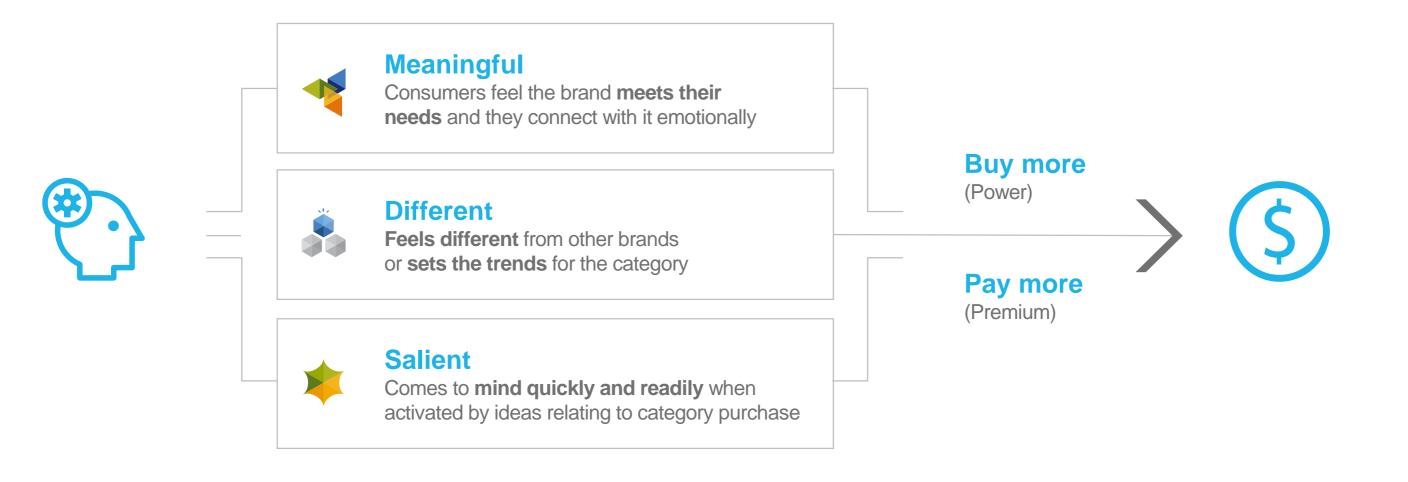






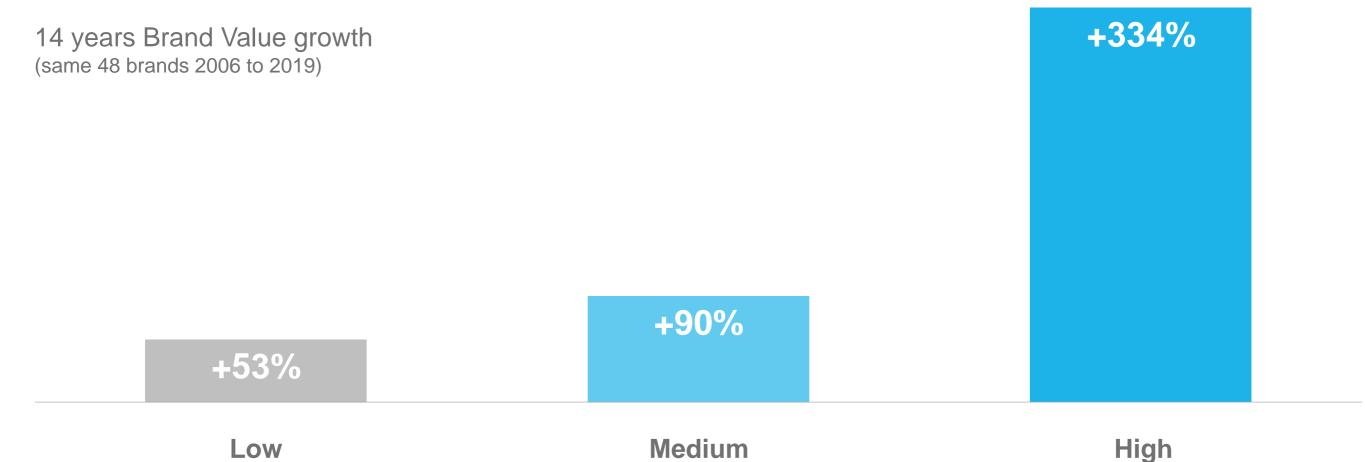


A brand's equity relates to how Meaningfully Different it is to the consumer



Meaningful Difference is a predictor of success

Meaningful Difference



Meaningful Difference





Meaningful Difference

Brewdog's bold advertising campaigns and disruptive proposition have established Meaningful Difference

Brand Value 2018

\$866m

+55%

sales growth year on year

Disruptive 143

Creative 118

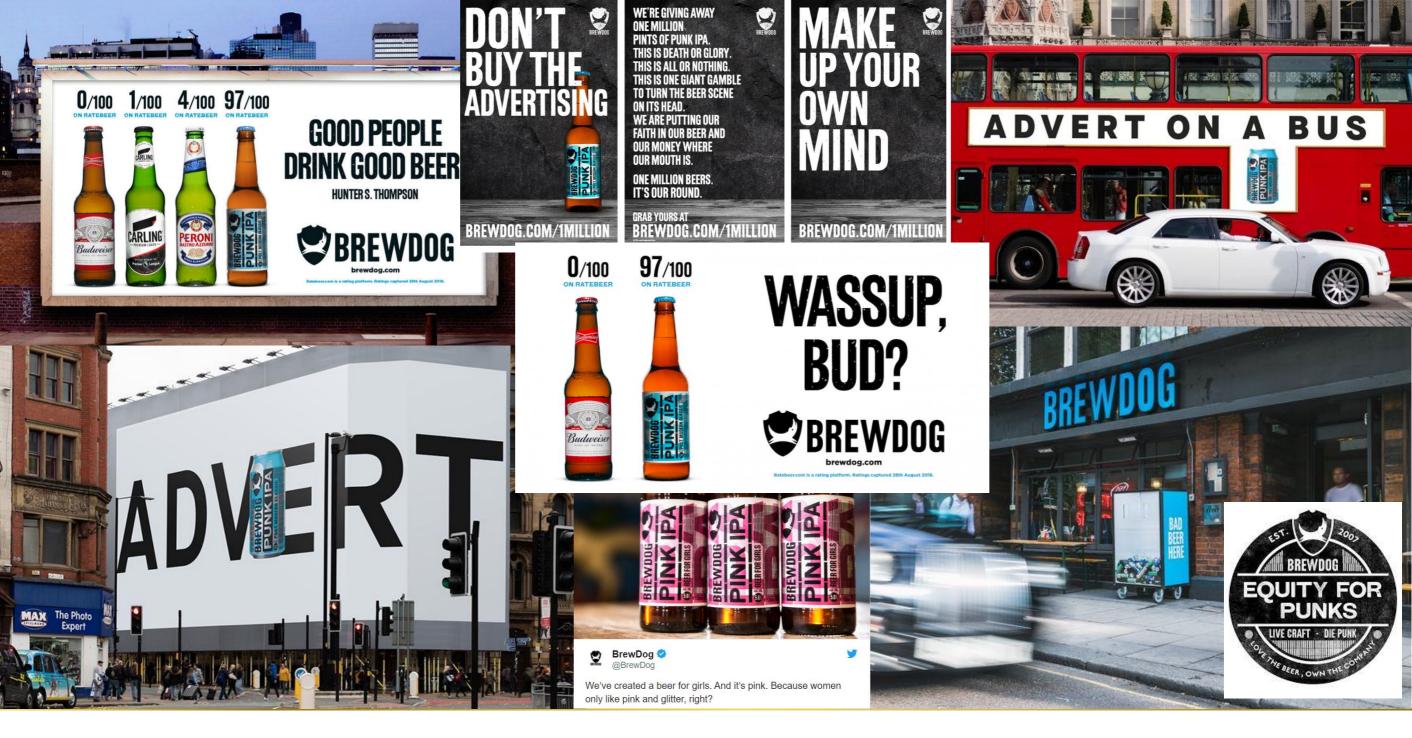
Rebellious 121

Clear personality

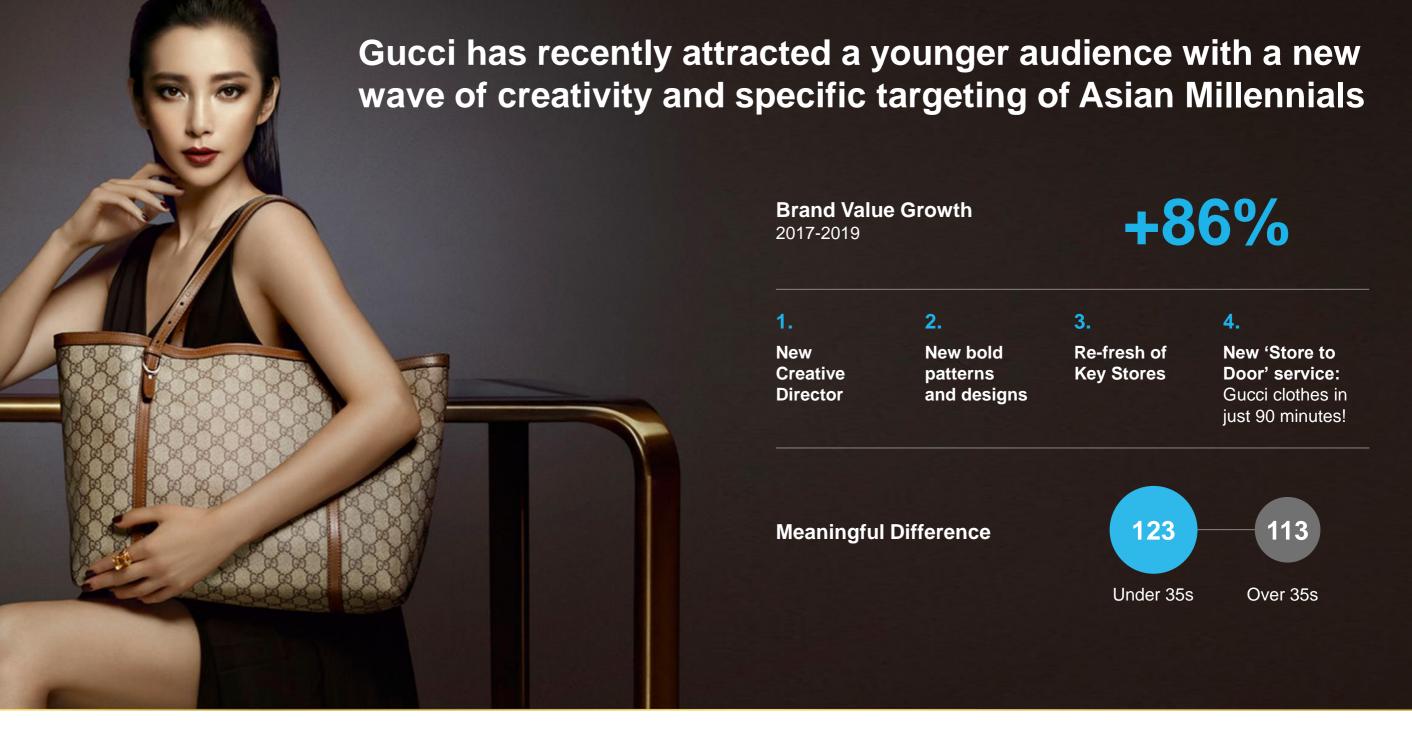




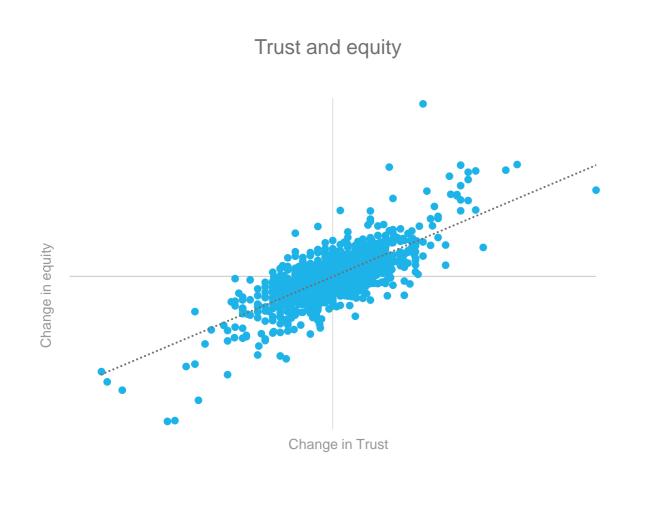




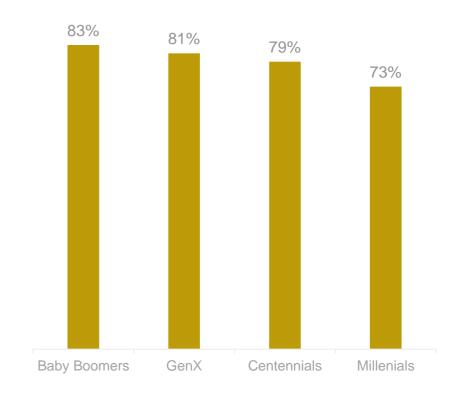




Trust is another important element underpinning brand equity- consumers will abandon brands they do not trust

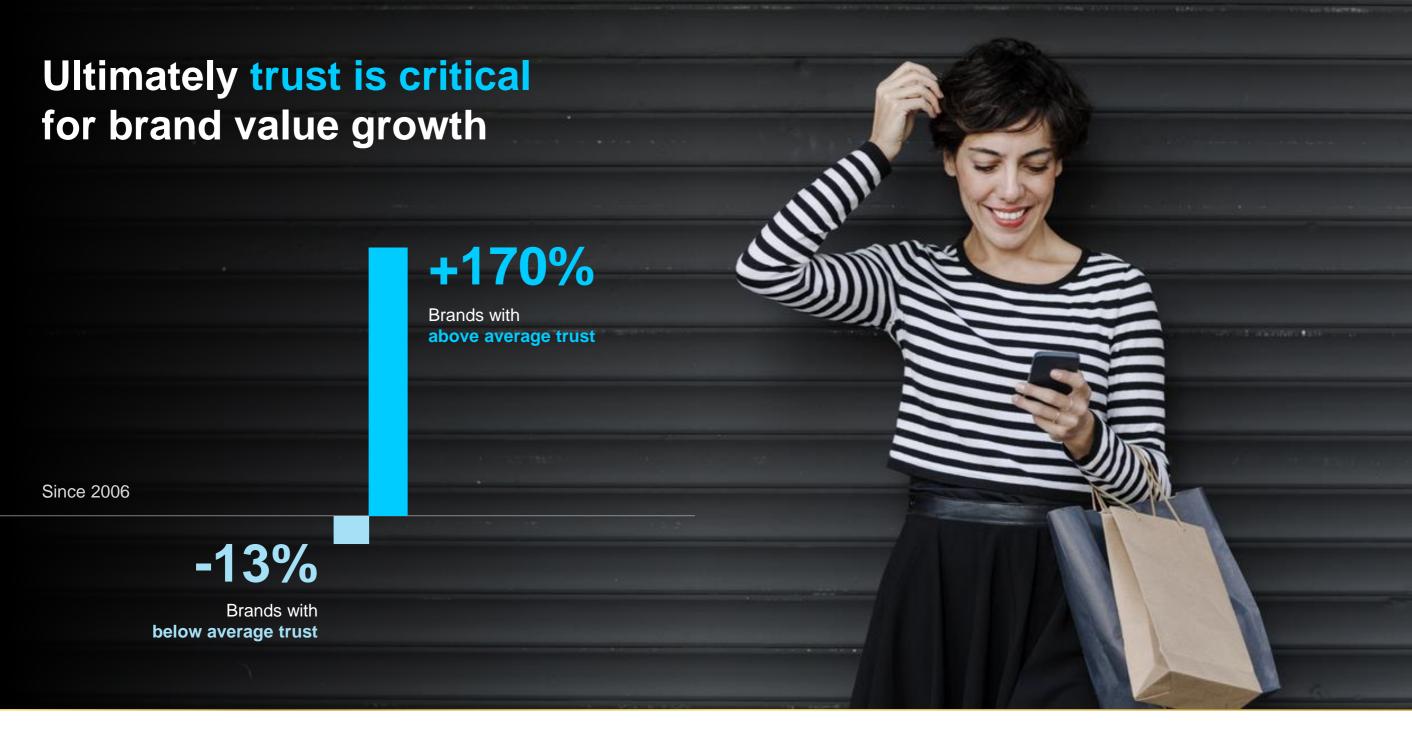


"Even if a company makes a product I love, I'll stop supporting them if I don't feel I can trust them"



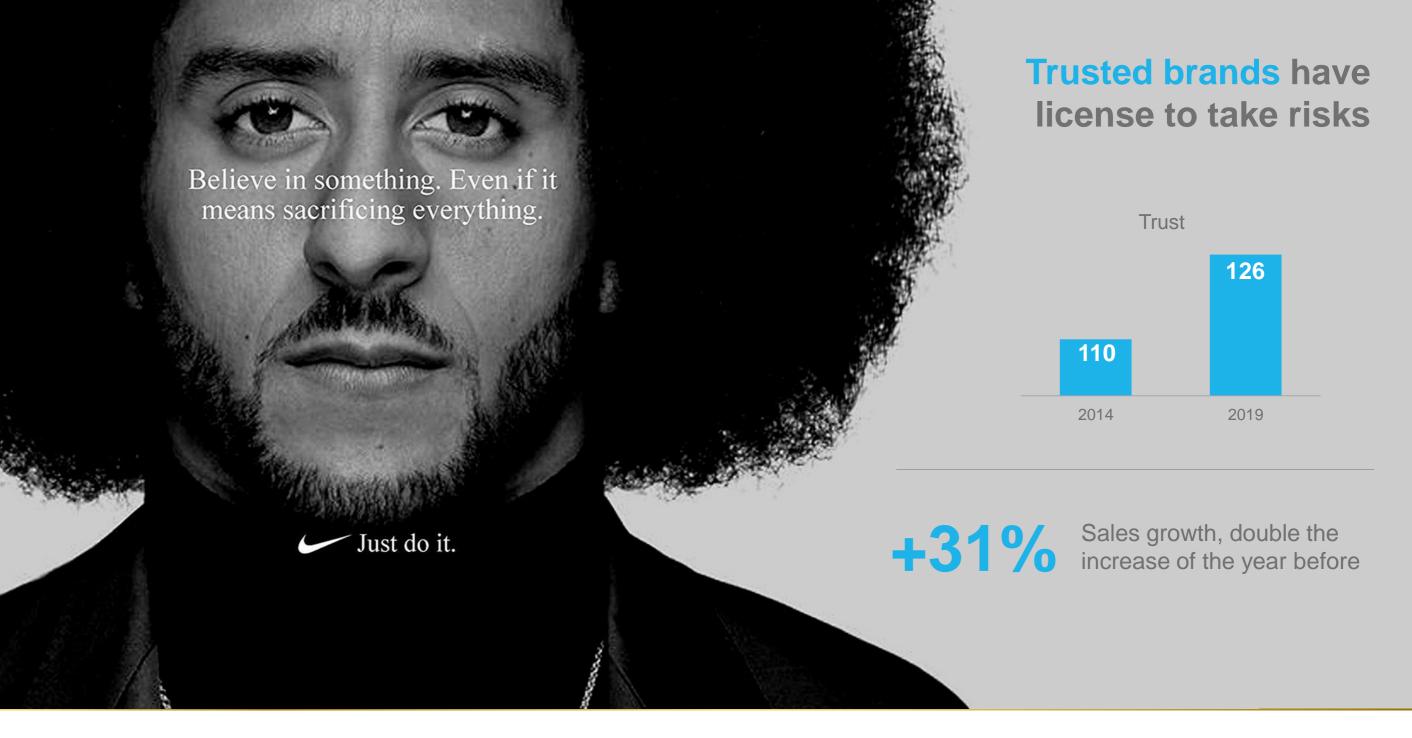


















Cinema is the most trusted media for advertising, particularly amongst GenZ 'I trust the advertising in...'

Gen Z 16-19 year olds



Gen Y 20-34 year olds



Gen X 35-49 year olds



Trust Index

Cinema vs TV	+119%	+92%	+45%
Cinema vs Internet	+192%	+177%	+220%

Cinema has the biggest per person impact on brand building

Brand equity impact

Media Channel	Impact per person		Average Spend (£m)	Average Frequency
Cinema		2.0%	0.41	1.8
Magazines	1.6%		1.24	4.0
TV	1.4%		1.89	10.0
Newspapers	1.2%		0.54	7.0
Radio	0.9%		0.35	18.0
Online Video	0.7%		0.37	5.0
Online Display	0.7%		0.38	8.0
ООН	0.6%		0.64	18.0



Source: Kantar CrossMedia Database, European data

Cinema: 71 | TV: 268 | Online Video: 115 | Online Display: 232 | Newspapers: 76 |

Magazines: 53 | OOH: 163 | Radio: 78

Cinema helps Deliver strong impact on brand difference – key to brand value

Difference

AV Channel	Impact per person		Average Spend (£m)	Average Frequency
Cinema		1.4%	0.41	1.8
TV	0.8%		1.89	10.0
Online video	0.6%		0.37	5.0

Most valuable global brands have a Point of Difference





Source: Kantar CrossMedia Database, European data Difference metric: different to others, sets trends Cinema: 30 | TV: 102 | Online Video: 64

Summary

- Strong brands deliver strong returns for their owners
- Creating Meaningful Difference is key to driving brand value growth
- 3. Trust is a key element that underpins brand equity
- 4. Cinema offers a unique, trusted and engaging environment through which brands can connect with consumers at scale and build brand equity





TAKING CHICKEN TOWN TO HOLLYWOOD

Jack Hinchliffe
Marketing Director, KFC UK&I





ONLY ONE COLONEL IN CHICKEN TOWN



CONSUMER ANXIETIES





THAT'S HOW HE DID IT





THAT'S HOW WE DO IT



MADE THE RIGHT WAY SINCE 1939

Col. Harland Sanders



CONSUMER ANXIETIES ARE NOT LINEAR



RE-FRAMING THE BRIEF: DRIVE RADICAL RE-APPRAISAL OF KFC'S QUALITY SUPERIORITY





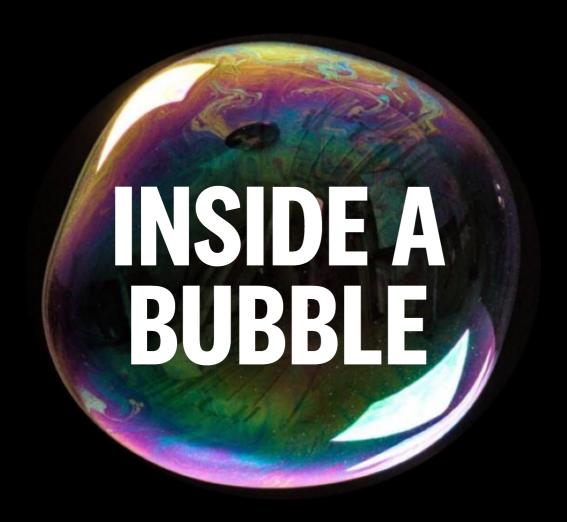












72% OF 16-34s AGREE

THAT "CINEMA IS A BUBBLE WHERE THE OUTSIDE WORLD CAN'T INTRUDE"

66% OF 16-34s AGREE

THAT "I PAY MORE ATTENTION TO ADS IN CINEMA THAN ELSEWHERE"

70% OF 16-34 'AD AVOIDERS' AGREE

THAT "I TALK TO THE PEOPLE I GO TO THE CINEMA WITH ABOUT THE ADS (WHILST WATCHING THEM)"

CREATIVE FRAMEWORK

60"

20"

10"

CHICKEN TOWN TVC



CONTEXTUAL CONTENT

• • • • •

?

KFC DIRECTIONAL ENDCARD





MAKE A DIFFERENCE

REC •

A COMMON LEASE RE TAMA F RDING VITY TO DUR TEAM

Video cameras, mobile phones or any other device used to record any portion of this movie are strictly prohibited. Violators may be prosecuted under the copyright act and fines may apply.







THE BIG SCREEN IN 2019, 2020 AND BEYOND

Tom Linay
Content Business Director, Digital Cinema Media





PREDICTED TOP 10 FILMS 2019

AVENGERS: ENDGAME £88.6m

STAR WARS: THE RISE OF SKYWALKER £85m

THE LION KING £75m

TOY STORY 4 £60m

FROZEN II £55m

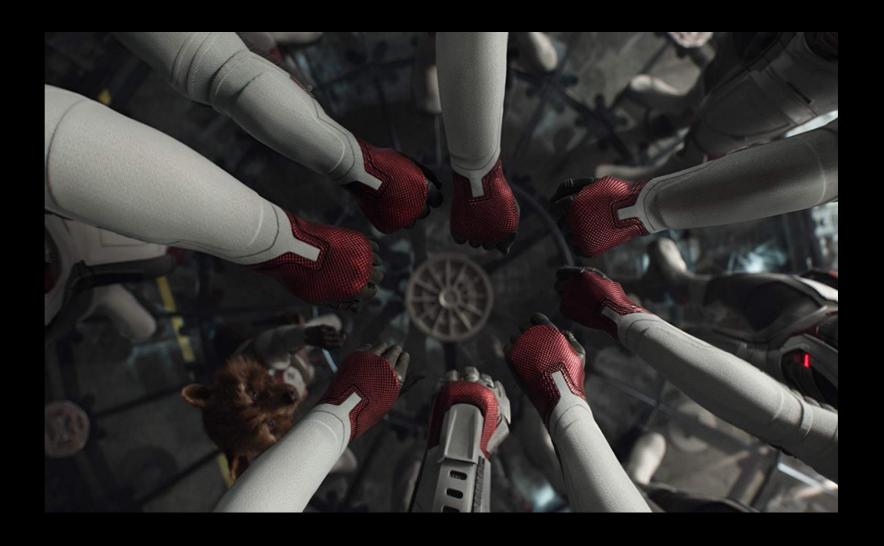
CAPTAIN MARVEL £39.5m

ALADDIN £36m

SPIDER-MAN: FAR FROM HOME £35m

DOWNTON ABBEY £30m

IT: CHAPTER TWO £30m





TOP 10 16-34 TVRS 2019

AVENGERS: ENDGAME	36 TVRs
THE LION KING	27 TVRs
TOY STORY 4	19 TVRs
IT: CHAPTER TWO	17 TVRs
CAPTAIN MARVEL	17 TVRs
ALADDIN	15 TVRs
FROZEN II	14 TVRs
SPIDER-MAN: FAR FROM HOME	13 TVRs
STAR WARS: THE RISE OF SKYWALKER	12 TVRs
FAST & FURIOUS: HOBBS & SHAW	12 TVRs



GINEEUROPE





#CINEMASHOW CASE

OS FILMS





#CINEMASHOW CASE

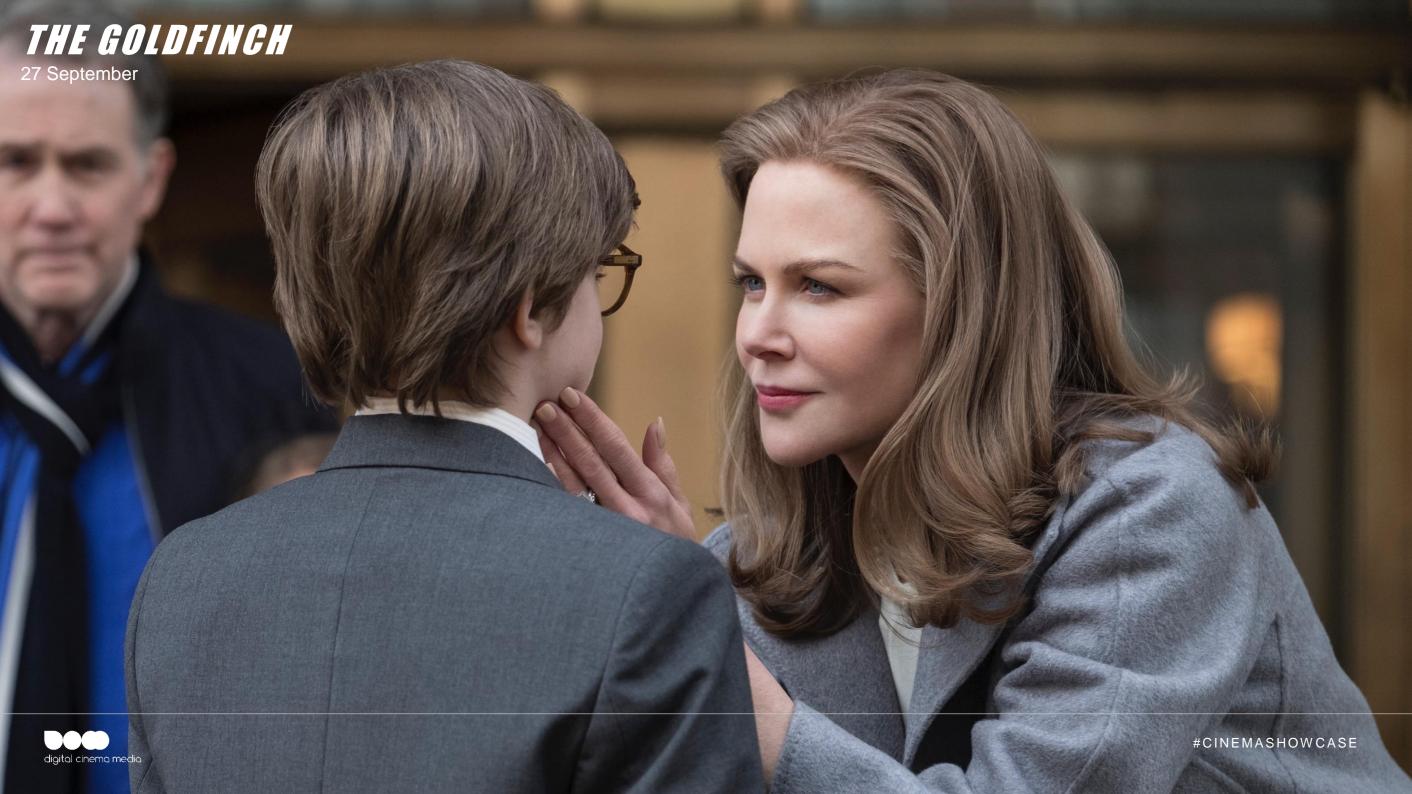












194 FILMS

















JUMANJI: THE NEXT LEVEL

13 December











2020 FILMS

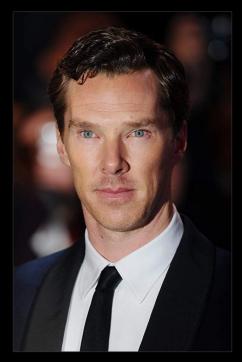


TOP 10 16-34 TVRs 2020

BOND 25	26 TVRs
TENET	15 TVRs
BLACK WIDOW	13 TVRs
FAST & FURIOUS 9	12 TVRs
THE ETERNALS (MARVEL)	12 TVRs
MINIONS: THE RISE OF GRU	11 TVRs
VENOM 2	11 TVRs
MULAN	10 TVRs
THE KING'S MAN	10 TVRs
WONDER WOMAN 1984	10 TVRs



Q12020



1917 *10 January*



Little Women 24 January



The King's Man 14 February



Onward 6 March



Mulan 20 March

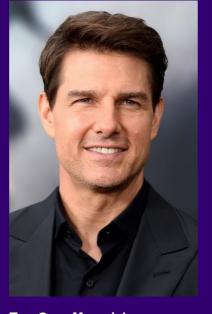
Q2 2020 ONWARDS



Wonder Woman 1984 5 June



Soul 19 June



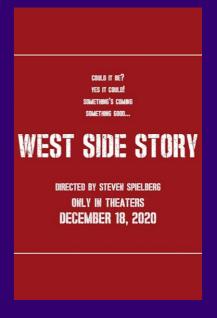
Top Gun: Maverick 17 July



Tenet 17 July



Dune 20 November



West Side Story 18 December













ABG1 ADULTS 27 TURS

ABC1 MEN 32 TURS



BOOKING BEGINS: OOTOGTOGER



ALWAYS LOOKING FORWARD

Karen Stacey
CEO, Digital Cinema Media





THREE TAKEAWAYS FOR 2020

THE MEDIA OWNER

=
GATEKEEPER
OF TRUST

TRUST +
DIFFERENCE

=
BRAND VALUE

BOND 25

=
THE AV MOMENT
OF 2020



