

NBCUniversal

2023

B2B Industry Assessment



Welcome!



Introduction

Explore NBCUniversal's latest perspectives and insights into the B2B industry. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for B2B brands and marketers as they navigate what's next.

Our Approach

At NBCUniversal, we have a legacy of working with a diverse range of B2B partners to build their brands. This report has been created based on NBCU's:

- Ongoing Industry Evaluation
 - Conversations with B2B Advertisers and Agencies
 - Continual Marketplace Analysis
 - Examination of Consumer Attitudes towards the B2B Industry
-



NBCUniversal Has a Unique Perspective

In 2023, NBCU worked with:
All Major B2B Industry Advertisers



Tech/Software



Cloud
Services



Financial
Services



Business
Services



Governmental



Healthcare

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with NBCU

Looking Back

2023 IN REVIEW



Despite tough
macroeconomic
headwinds,
**there are B2B
bright spots on
the horizon**
given revitalized
growth & demand



B2B Brands Re-Assess Strategy & Priorities in 2023

Growing Competitive Field & Market



3M+ B2B companies exist globally with revenue growing at a 10% CAGR (2015-2023). Additionally, the total market value of top 10 global B2B brands grew 20% from 2021 to 2022

Macroeconomy Challenges Businesses



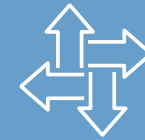
Inflation, banking, & recession fears forced B2B CEOs to re-evaluate pricing, growth strategies, and marketing budgets allocated towards brand and performance

Understanding Today's Business Leaders



As Millennials and Gen Z increasingly account for the workforce majority, BDMs are more diverse across all dimensions including ethnicity, age, gender, interests, & media consumption

AI Drives Accelerated Development



Brands rushed to promote pre-existing AI offerings & accelerate deployment of AI tech, resulting in a heated race for market share & innovative perception

MARKETPLACE PARTNERSHIP EXAMPLES

How Our Partners Are Evolving Their Media Strategy & Storytelling

upwork



Recognizing the Moment

In addition to capitalizing on seasonal moments, brands leaned into today's evolving, post-pandemic workplace norms

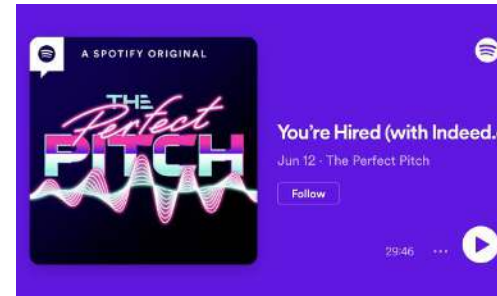
Adobe



Comedy Takes Center Stage

In leveraging the power of humor to grab attention, B2B brands veered into more playful storytelling & comedic talent

Spotify



Demonstrating Thought Leadership

Brands such as Spotify positioned themselves as B2B thought leaders by activating unique campaigns within its own platforms

zenbusiness

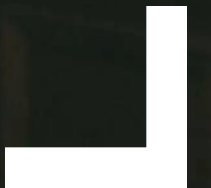


Leaning Into Disruption & Audience Sentiment

Authentically representing target audiences (e.g., budding entrepreneurs) helped brands break through & resonate with key messaging

Looking Ahead

KEY INDUSTRY TRENDS TO WATCH



LOOKING AHEAD

Key B2B Trends & Emerging Sub-Categories We Expect to Influence Marketing & Media Strategies



Optimistic Business Outlook &
Marketing Investment



Social & Influencers
to Establish Personal Connection



Gen AI
Hype Cycle Continues



Acceleration of the
Telco & Tech Competition



Emerging Sub-Categories & Brands
B2B SaaS

Optimistic Business Outlook & Marketing Investment

Half of B2B leaders are optimistic re: driving revenue in the upcoming year²

Majority of B2B leaders plan to invest the most in customer acquisition via Lead Generation (36%) & Brand Building/Awareness (30%)² as brands increasingly recognize marketing's value in driving B2B results

Growing Marketing Budget & Impact

74%

US B2B marketers expect marketing budgets to increase in next 12 months¹

47%

B2B CMOs have a more direct role in driving revenue & growth now vs. last 2 years²

47%

B2B CMOs are expected to be able to demonstrate marketing impact to bottom line²

Diversification of Funnel Tactics

63%

B2B marketers have increased spend on growing brand awareness²

59%

B2B marketers report the C-Suite has increased the importance of brand building given economic conditions²

90%

C-Suite buyers believe brand is moderately to significantly influential in the buying process³

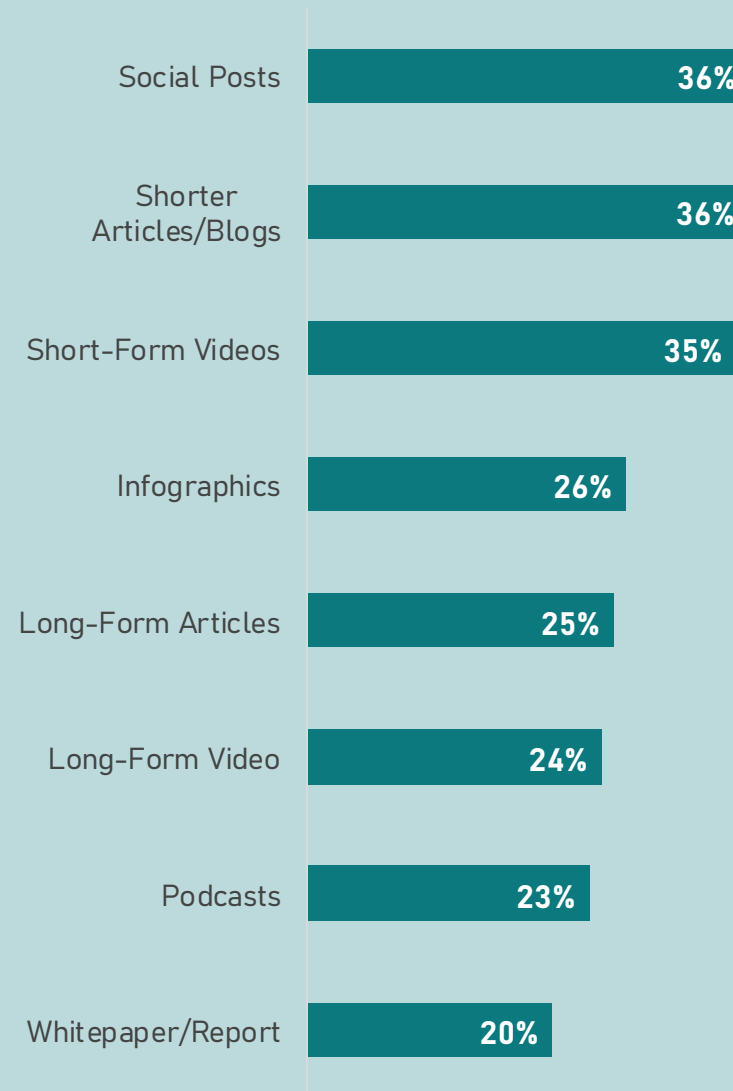
Social & Influencers to Establish Personal Connection

Brands will employ more direct and personalized tactics to reach the ever-evolving BDM audience

Today's business leaders are increasingly digital-first & highly social media-engaged

Consequently, B2B marketing will shift towards more personalized and targeted connections via social, further blurring the lines between traditional B2B and B2C tactics

Social has become the most popular B2B format consumed daily amongst global BDMs¹



Social & influencer marketing have proven B2B effectiveness

60%

of US B2B marketers agree social is the most effective revenue-driving channel²

94%

of marketers believe influencer marketing is a successful B2B strategy³

34%

of B2B marketers expect to increase social media budgets in the coming 12 months⁴

Gen AI Hype Cycle Continues

This tech will establish itself as a major B2B offering & critical operations tool for all categories

B2B brands will continue focusing on the vast-ranging potential of gen AI to unlock incremental B2B utility

But all parties will face steep challenges re: regulation, standardization, data privacy, copyright, and ethics

Growth Landscape

AI has become the biggest spend area for

50%

of top tech executives¹

Median pre-money valuations for gen AI startups have grown

+16%

in 2023 so far vs. 2022 while all other startups dipped 24%²

Organizational Impact

Businesses investing in AI see anywhere from

3-15% & 10-15%

revenue & sales ROI growth respectively³

30%

of all AI pilot initiatives are subsequently scaled to deliver wide-ranging outcomes⁷

Employee Impact

The most productive workers are

242%

more likely to be using AI compared to less productive workers⁴

61%

of salespeople believe gen AI will enhance their work, but over 50% don't know how to maximize its value⁵

“

Mitigating the risk of extinction from AI should be a **global priority** alongside other societal-scale risks, such as pandemics and nuclear war.

Center for AI Safety comprised of 350+ AI experts⁶

”

Acceleration of the Telco & Tech Competition

Telcos will evolve into Techcos & future-proof operations to build autonomy & drive market value

This will result in greater competition between telcos & Big Tech as they increasingly overlap in comprehensive solutions across connectivity, cloud, IoT, cybersecurity, edge compute, data management, digital scale & automation, & AI/ML enablement

Sources: 1. STL Partners, 2. Oracle, 3. Ericsson, 4. Forbes, 5. Fierce Wireless

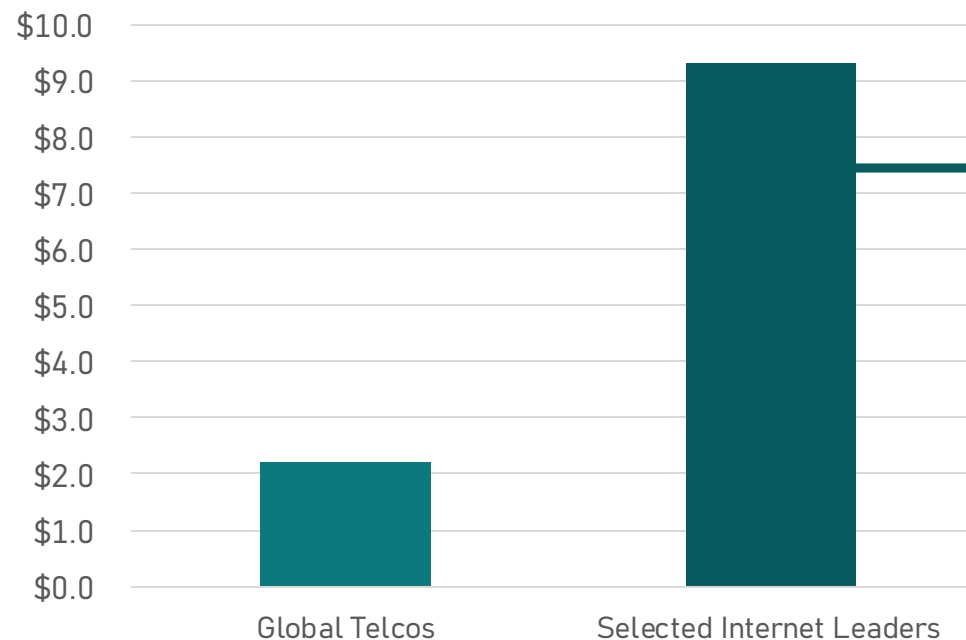
“The success of telcos will require that they become **one-stop diversified technology service providers**... enabling movement up the ‘technology stack’...”

Sudipto Moitra
General Manager
MTN Satellite Communications

“...[with Project Kuiper] we’ll explore how we can help our customers get the most value from expanded connectivity, particularly in areas like residential broadband, agriculture, education, healthcare, transportation, & financial services.”

Dave Limp
Sr. Vice President, Amazon

Market Cap 2022: Telco vs. Internet (\$T)



Although telcos & tech leaders have comparable revenues, **tech brands are far more valued** given their proven ability to grow, adapt, & capitalize on new opportunities

Internet includes Alphabet, Amazon, Apple, Meta, Microsoft, Alibaba, Tencent

EMERGING SUBCATEGORY

B2B SaaS

Software services optimizing operations for a wide range of functions, such as Medical, eCommerce, HR, and Productivity

Why To Watch

\$232.2B

Projected 2024 Market Size | +39% vs. 2022

30%

of orgs will rely solely on SaaS apps
for “mission-critical” workflows by 2025

Brands to Watch

workday. Canva intuit. NETSUITE

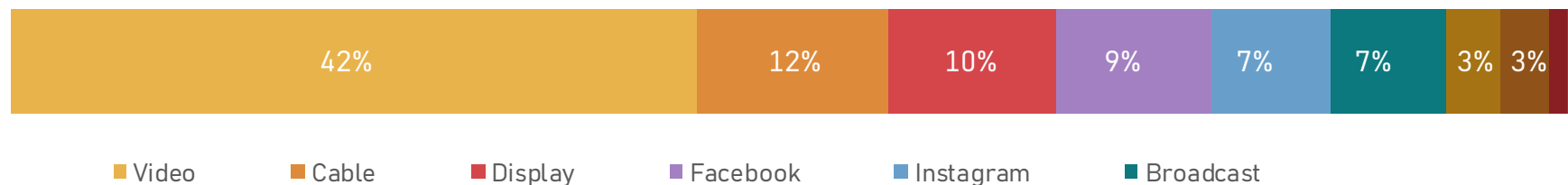
bambooHR™ shopify +Babbel PODIUM

Ad Spend

\$4.6B

Software 2022 Ad Spend
+45% vs. 2021

2022 Media Mix



SUMMARY

Key B2B Trends We Expect to Influence Marketing & Media Strategies

**Optimistic Business Outlook & Marketing Investment**

Majority of B2B leaders expect to successfully drive revenues & increase marketing budgets in the coming year

**Social & Influencers to Establish Personal Connection**

Brands will employ more direct and personalized tactics to reach the ever-evolving BDM audience

**Gen AI Hype Cycle Continues**

This tech will establish itself as a major B2B offering & critical operations tool for all categories

**Acceleration of the Telco & Telco Competition**

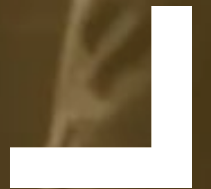
Telcos will increasingly compete with Big Tech as they future-proof operations, build autonomy, & drive profitability



Emerging Sub-Categories & Brands
B2B SaaS

The Power of Advertising

& MEDIA TRENDS TO WATCH



When B2B companies launch,
**Even a little
advertising goes a
long way to driving
revenue for small
companies**

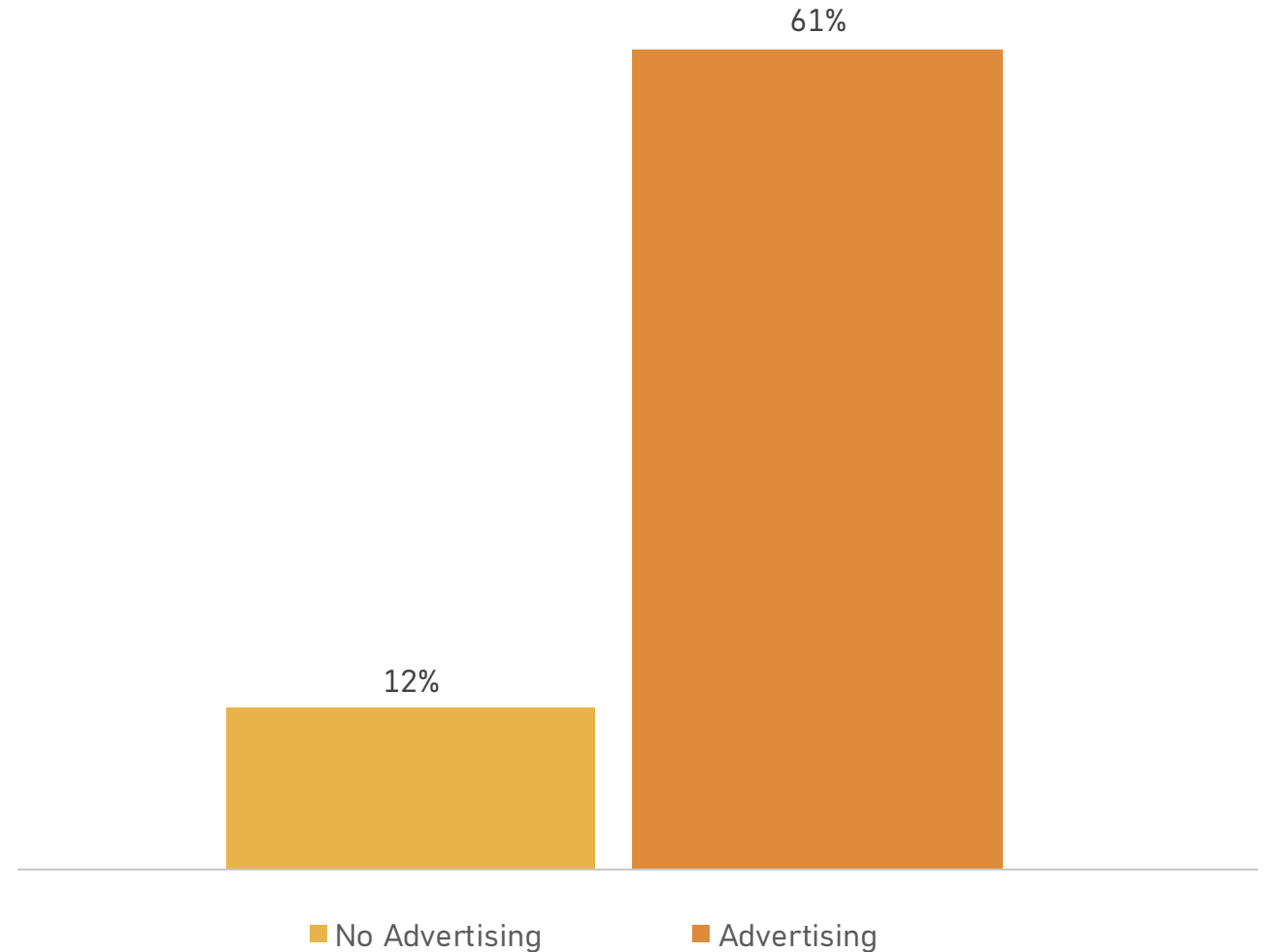
Even small budgets drive
big impact, as low as

\$15k total

ad spend in the first year
saw positive ROAS and
higher 2nd year revenue
compared with
companies spending \$0

2nd Year Revenue Growth for Newly Launched Companies

Comparing those that launched with vs. without ad support



We compared net purchase consideration across B2B tech companies

B2B tech companies that **maintained/increased ad spend** consistently saw an average net purchase consideration score

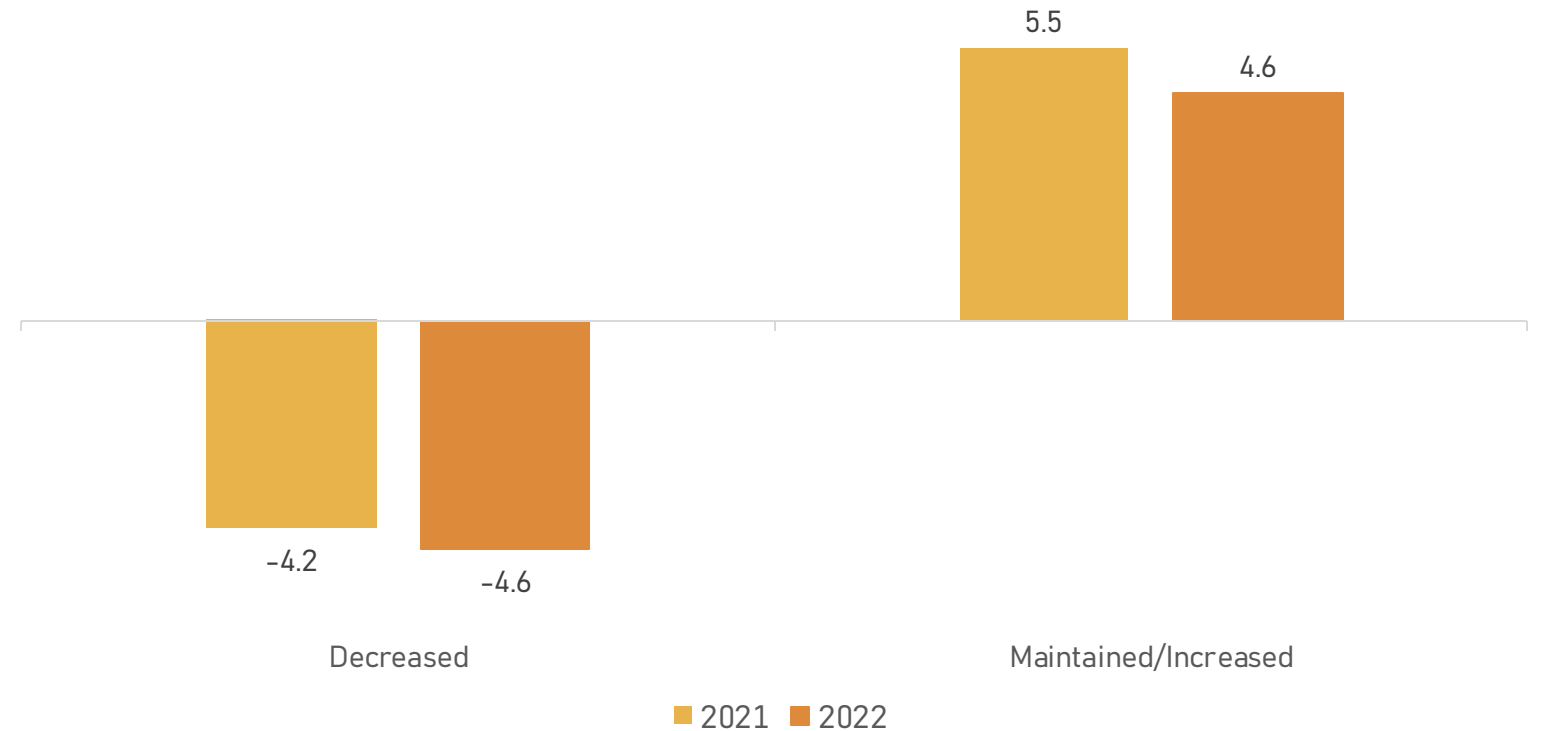
2X higher

than the average score of brands that consistently decreased spend

B2B Tech Companies

Average Net Purchase Consideration Score

Of Companies that Increased Ad Spend vs. Decreased Ad Spend YoY



Media Trends to Watch

The B2B ad market is expected to continue growing across all channels through 2025 with digital, social, and performance media driving majority of category growth

Ad Spend Projected TO CONTINUE CLIMBING

\$35B

estimated CY-24 ad spend (+9% vs. CY-23) and projected to increase to \$37B in CY-25

Digital Growth Outpacing TRADITIONAL & TV

+13%

Digital CY-24 projected growth vs. only +7% for TV & Traditional Media ad spend

TECH B2B BRANDS Driving Category Spend

\$5.5B

estimated CY-24 spend (+13% YoY), the highest amongst subcategories: Finance, Healthcare, Telco

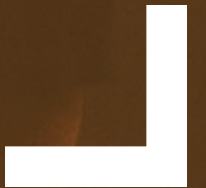
DISPLAY & SEARCH Dominate Media Mix

\$15.3B

Estimated CY-24 Display & Search spend (+12% YoY) vs. \$2B Video spend (+16% YoY)

Partnering with NBCU

CATEGORY PERFORMANCE, STRATEGIC CONSIDERATIONS
& PARTNERSHIP EXAMPLES



Proven Impact: Across Brand KPIs

BUSINESS OUTCOME

NBCU CAMPAIGNS – Test vs. Control

Brand
(Upper Funnel)

Brand
Familiarity
+8%

Ad
Recall
+36%

Brand
Favorability
+11%

Brand
Consideration
+14%

Performance
(Lower Funnel)

Search
Engagement
+65%

Purchase
Intent
+14%

Brand
Recommendation
+17%

Campaigns across more than one platform are more effective

NBCU Campaigns: Multi-Platform vs. Single Platform

% LIFT



+25%

Ad
Recall



+23%

Brand
Favorability



+34%

Brand Consideration



+22%

Brand
Recommendation

Strategic
Consideration for

Driving Growth for B2B Brands

Lead with “Always On” Marketing Approach



Why

Only 5% of decision-makers are projected to be in-market to buy at any given point in time and 90% ultimately select vendors they already had in mind before conducting research

How

Deploy messaging throughout the year with mass reach tentpoles interspersed among regular cadence programming (e.g. season-long partnerships)

Custom Branded Content & Storytelling



Why

Strike the optimal balance of brand and performance to humanize your brand, establish credibility, and build customer affinity while driving sales

How

Showcase advantages of services and offerings by activating branded integrations with fan-favorite programming, IP, and talent

Leverage Advanced Targeting to Find Evolving BDMs



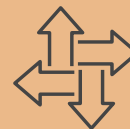
Why

Increase conversion by resonating with key B2B audiences where they are consuming content the most

How

Leverage data and audience targeting tools to drive consumer action with these key demos

Extend Reach via Multi-Platform Strategy



Why

Effectively and efficiently drive towards ROI and objectives across platforms that BDMs are over-indexing in

How

Optimize campaigns based on performance solutions and activating digital-first commercial innovation ad products

NBCU solutions
for delivering

Brand & Business Impact for B2B Brands

SCALE

Lead with “Always On” Marketing Approach



SNL



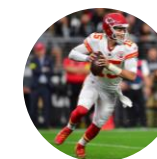
bravo



PARIS 2024
PARIS 2024



BIG



SUNDAY NIGHT
FOOTBALL



peacock

NBCUNIVERSAL

Custom Branded Content & Storytelling

Branded Content



Issue Oriented Programming



Moments that Matter



Leverage Advanced Targeting to Find Evolving BDMs



NBCU provides
SCALE at 227M adults total
&

PRECISION at 18M BDMs & 48M active
investors each month

PRECISION

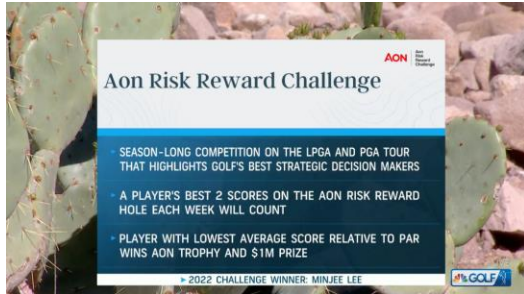
Extend Reach via Multi-Platform Strategy

Performance & Automation Across One Platform

- ✓ NBCU Streaming
- ✓ Data-Driven Linear (DDL)
- ✓ Cross-Platform (XP)
- ✓ Social Media
- ✓ Programmatic
- ✓ Apple News
- ✓ Anzu
- ✓ Commercial Innovation

NBCUNIVERSAL PARTNERSHIP EXAMPLES

How Our Partners Are Evolving Their Media Strategy & Storytelling



Engaging Viewers via Integrated Messaging

The Aon Risk Reward Challenge ran throughout the PGA and LPGA Tours to determine the best strategic decision-makers within pro-golf by analyzing players' critical risk and reward scenarios at key holes



Enhancing the Fan Experience

For Tour de France coverage, Salesforce and Tableau technology helped create custom features that analyzed relevant cycling topics such as drafting, nutrition, power, & host city impact



Customizing Campaigns via Trusted Platforms

Recognizing the power of partnership, EY collaborated with CNBC Brand Studio to craft "Real-Time Insights," a custom content series featuring EY leaders and strategic partners discussing forward looking trends



Demonstrating Product Capabilities

For NBCU's Sunday Night Football coverage, AWS data enabled unique and specific insights to be highlighted via in-game features and showcase the power of AWS' technical capabilities

2023 B2B Industry Assessment

NBCUniversal

NBCU B2B CLIENT STRATEGY TEAM:
Dominique Folacci, Nicole Lee, David Curley

