

June Roadshow

Amplified Intelligence Attention Research
Results & Business Updates

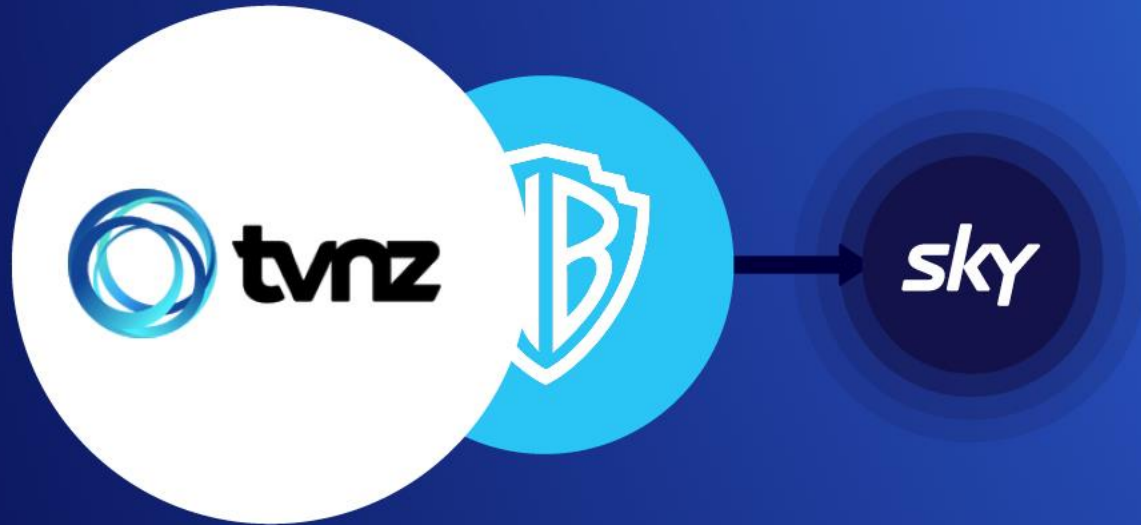
sky

Transitioning From a Traditional 'Linear Only' Business



To Carving Out Our Own Unique Market Position

NZ's most engaging and essential multi-platform media company



Leveraging:

Strong mix of local & global content

Leading data & tech

Multi-platform linear + VOD

High quality customer & advertiser experience



Sky World - Audience



Sky Box and Sky Pod

1.5 Million
WEEKLY REACH¹



Free-to-air

1.2 Million
WEEKLY REACH²



Streaming

802,000
WEEKLY VIEWERS³



Sky Social Media

1.7 Million
FOLLOWERS ACROSS
CHANNELS

Commercial
6,500 Businesses

2,000
Licensed Premises

45,000
Hotel & Motel Rooms

3,100
Gyms, Retail Stores, Corporate offices,
Aged Care Lounges, and various Waiting
rooms

Sky | Amplified Intelligence

Attention Research Results

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Understanding Attention Across Sky

Amplified Intelligence

The source for rigorous attention measurement

Founder, Dr Karen Nelson-Field, is an internationally renowned and regarded thought leader in attention and media metrics, who speaks widely across the globe.

As a true subject matter expert and with over 17 years spent redefining the marketing research landscape, she has produced a number of best-selling books spanning all areas of marketing and the birth and evolution of the attention economy.



Why Attention?

Attention is the human-centric principle that determines whether people are really watching ads, both in terms of how long and how focused.

Understanding real-world behaviours is critical to successful campaigns.

Why Should We Pay Attention?

Brand Growth

Attention has a strong correlation with business outcomes and driving brand growth.

Effectiveness

Are humans actually watching? Understand the role of attention in advertising effectiveness and its impact on the bottom line

Mental Availability

Understand how ads are processed to help reveal how much attention is needed to create and place distinctive brand assets in order to deliver mental availability.

Compete for Attention

Understand how we choose to pay attention to one out of multiple sources to help understand how ads can better compete for attention e.g. addition of auditory attention to visual attention.

Active & Passive Visual Attention



Active Attention

Mobile: Looking directly at the ad
Desktop: Looking directly at the ad
TV: Looking directly at the ad



Passive Attention

Mobile: Eyes on screen, not on ad
Desktop: Eyes on screen, not on ad
TV: In the room but not looking at the TV

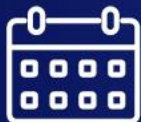


Non Attention

Mobile: Eyes not on screen, not on ad
Desktop: Eyes not on screen, not on ad
TV: TV is on but person is not in the room

Methodology

A custom TV panel in New Zealand to measure human attention across Sky linear & VOD programming.



2.5 Months

OF TV PROGRAMMING AND AD CONTENT
CAPTURED ACROSS LINEAR & VOD



11 Test Brands

INVOLVED IN VOD CONTENT CAPTURE



140 Home

HUMAN-GAZE PANEL (NZ-WIDE)



26 Brands

COLLECTED ACROSS 11 SKY LINEAR CHANNELS

4,542 Total Ad Views

COLLECTED ACROSS ALL PLATFORMS AND DEVICES



Linear Channels Tested

sky
SPORT 1

sky
SPORT 2

sky
SPORT 3

sky
SPORT 4

 **COMEDY
CENTRAL**

vibe

H
HISTORY.

BBC
uktv

UNIVERSAL
TV

sky
5

CRIME+
INVESTIGATION

Objective & Metrics

1. To benchmark and measure human gaze attention in New Zealand across the Sky Inventory
2. Provide human gaze attention specific to the Rugby World Cup
3. Provide attention insights across a range of test ads

Active, Passive & Non-attention by:

- Platform
- Channel (linear only)
- Ad Length
- Genre
- Program
- Brand

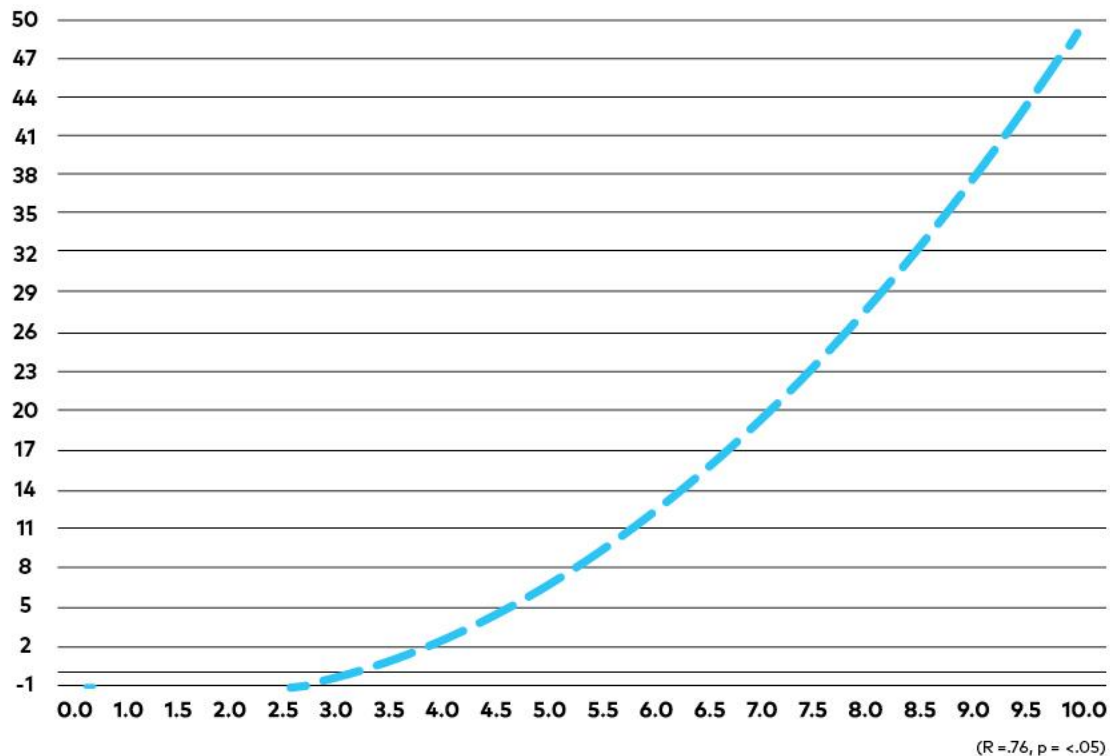
Second by second attention

Programming vs Ad views

The Crucial 2.5" Attention-Memory Threshold

The relationship between active attention seconds and days in memory

Active Attention to Days in Memory



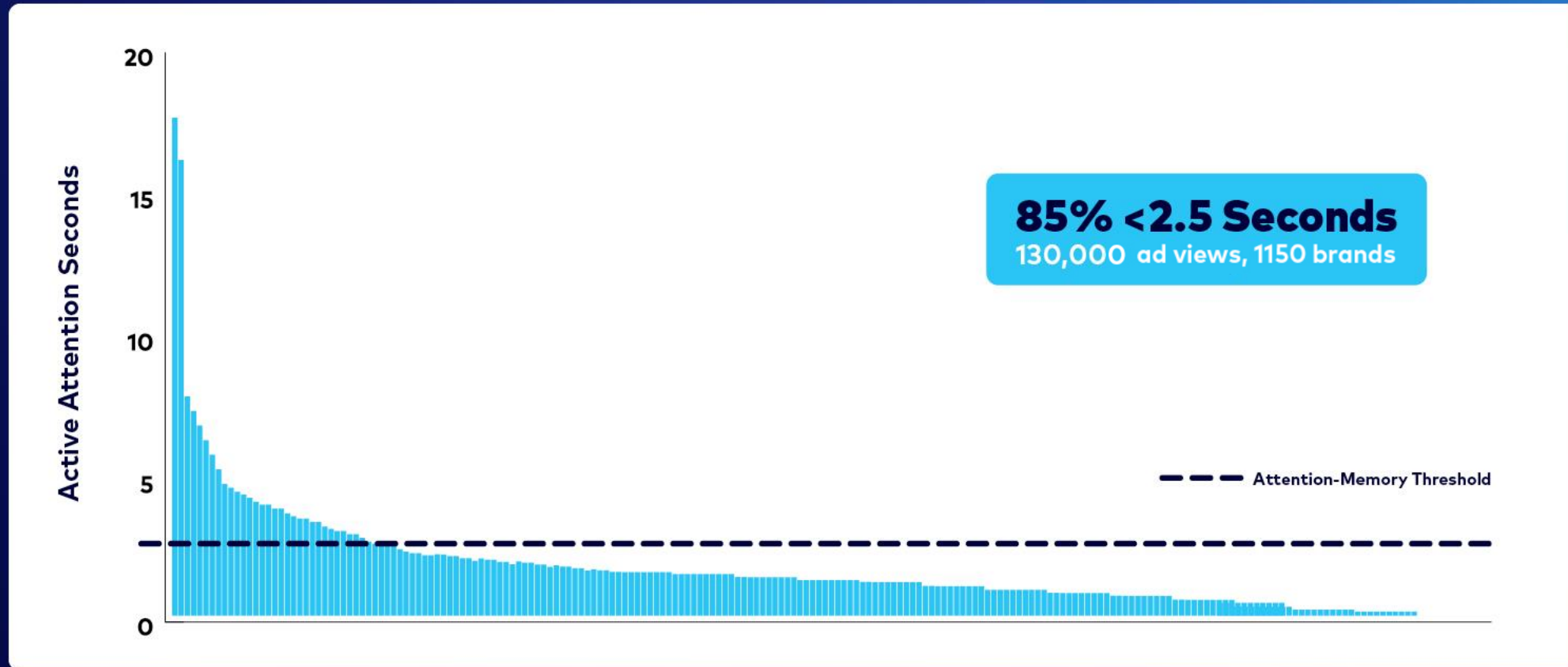
Source: Internal Amplified Intelligence Attention Data - gathered from over 40,000 Ad-Views and choice measures

"If you want to grow your brand, you need to hit the threshold"

– Karen Nelson-Field

The Crucial 2.5" Attention-Memory Threshold

When ads dont meet the Attention-Memory Threshold of 2.5 seconds, it's hard for mental availability to grow



Sky Performance Comparison (30" Ad length only)

A Premium advertising offering when compared to other media that also have opportunity to avoid.

Benchmarks (30")	Active Attention Seconds	Country
Cinema	24.0	NZ
SKY VOD	13.8	NZ
FTA VOD	10.4	NZ
Live FTA TV	6.7	NZ
Live Paid TV	6.2	AU
SKY Linear	5.9	NZ
Video Platform	4.9	AU
Social Media B	3.4	AU
Social Media C	2.4	AU
General Web	1.6	AU

A leader in VOD

+32% Active Attention VOD to Digital TV
+105% Active Attention VOD to FTA Linear
+762% Active Attention VOD to OLV
-4% Active Attention Linear to AU Paid TV

Sky VOD allows your subscribers to watch your clients ads for longer, building stronger memory links and ultimately, driving greater outcomes for the brand.

Sky Linear - performs inline with like platforms in other countries.

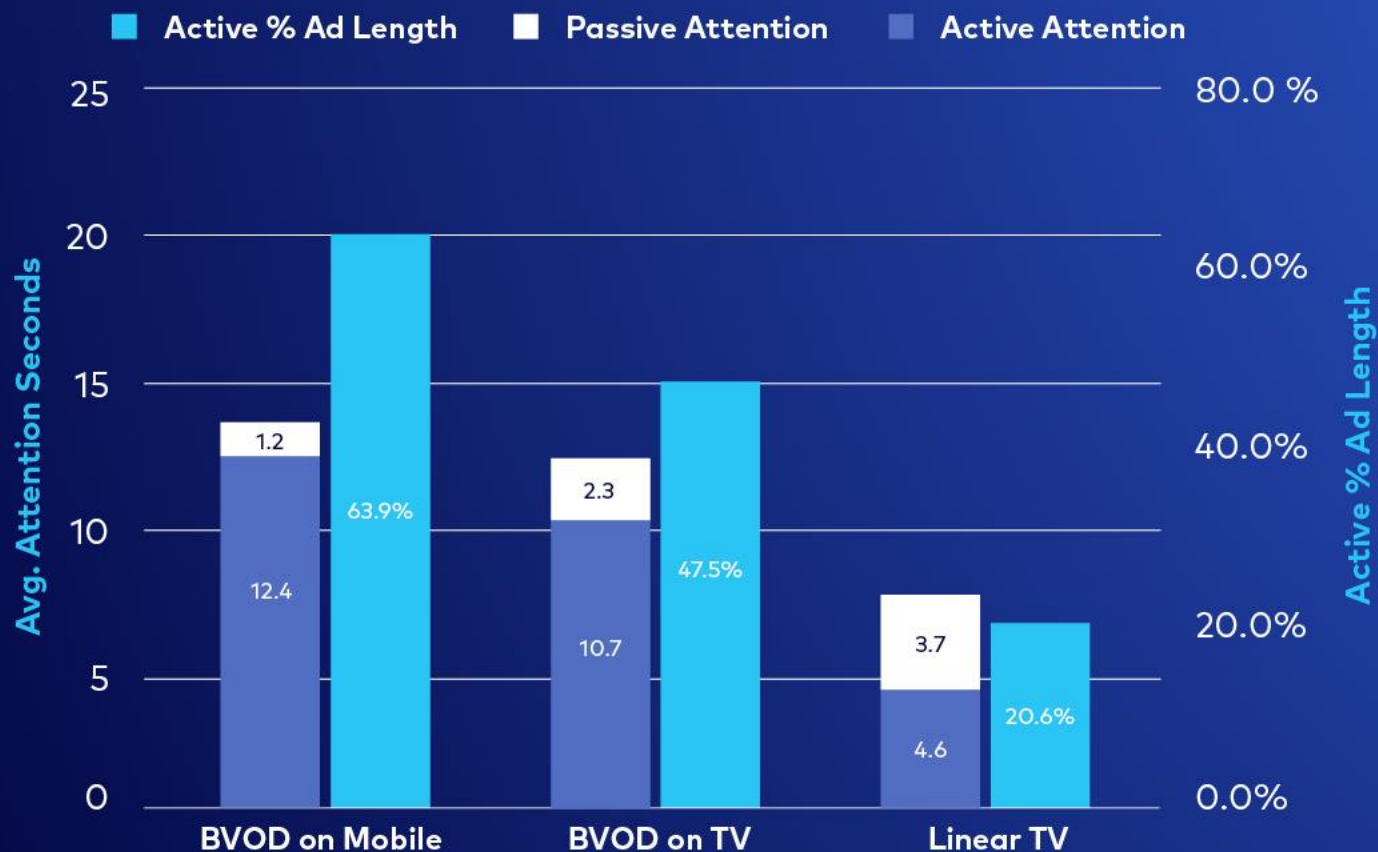
Commercial in confidence (not for public release)

Sky is a Leader in VOD

VOD outperforms competitors with Active Attention +32% above benchmark. Sky is also a strong performer in the paid Linear TV space with 5.9" Active Attention.

Platform Performance

Sky Linear vs. VOD (TV + Mobile), default viewing, all ad lengths



x2 More Attention

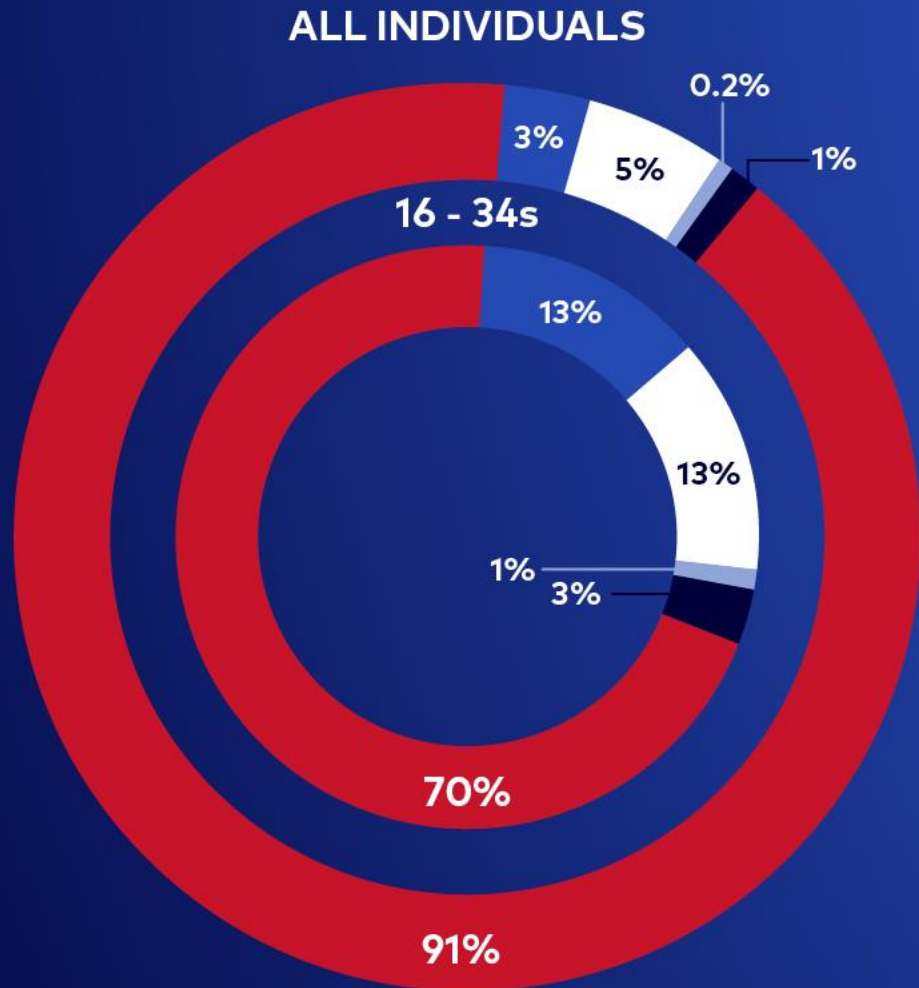
New Zealanders love their VOD!
More than double the Active Attention over Linear TV

Sky Linear plays in line with global paid TV benchmarks.

VOD on TV also has considerably less passive attention than Linear on TV. This is expected. When viewers choose their own content they typically don't want to miss anything, combine this with the lower ad load and users will typically watch the ads in anticipation of the return of the content.

Mobile delivers more Active Attention than the large screen. While this is normal, this could also be a function of the high involvement Rugby.

Linear + VOD Dominate Ad Attention



Attention-weighted
share of average video
advertising time per day

- Youtube
- TikTok
- Other online video
- Cinema
- Broadcast TV





Sport Is The Leading Attention Genre.

Outperforming Entertainment on VOD with 34% more Active Attention and driving 9.9 Total Attention Seconds on Linear.

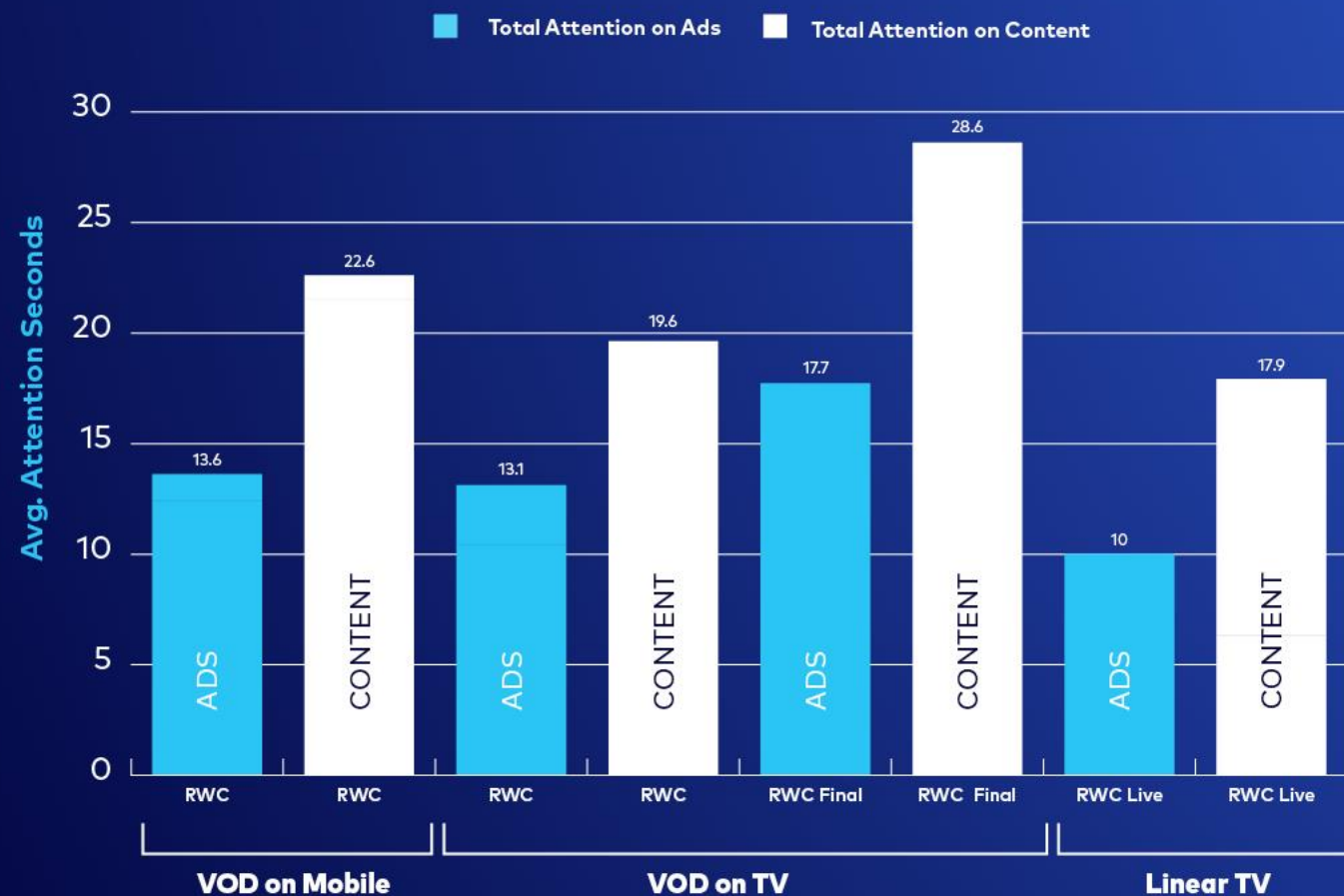
A dynamic action shot from a Rugby World Cup match. In the center, a New Zealand player in a black jersey is running with the rugby ball, being tackled by a player in a green jersey with the number 16. Other players in black and white jerseys are visible in the background, along with a referee in a black shirt with the number 3. The scene is set in a large stadium with a blurred crowd in the background.

Rugby World Cup

Rugby World Cup Finals had the Highest Engaged % to Programming (94.7%) .

Sports: Attention on Ads vs Content

Default viewing, all ad lengths (15 sec & 30 sec)



The Perfect Storytelling Platform

The longer the ad, the more attention you get.
A no brainer for sharing your brand story.

Attention Decay

Attention decays **FAST** on some formats and **SLOW** on others.

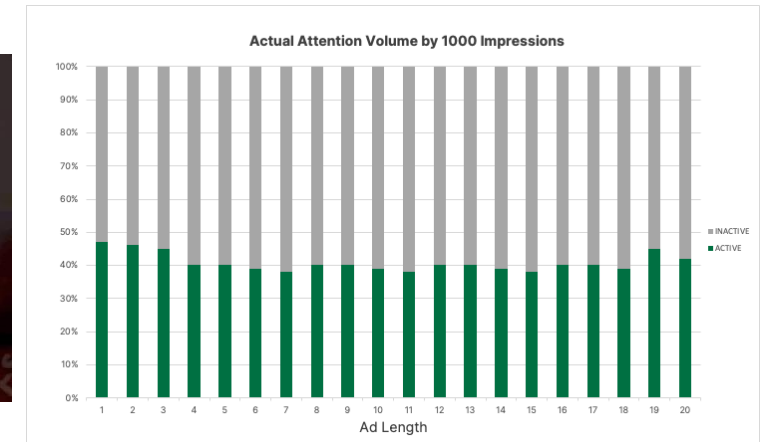
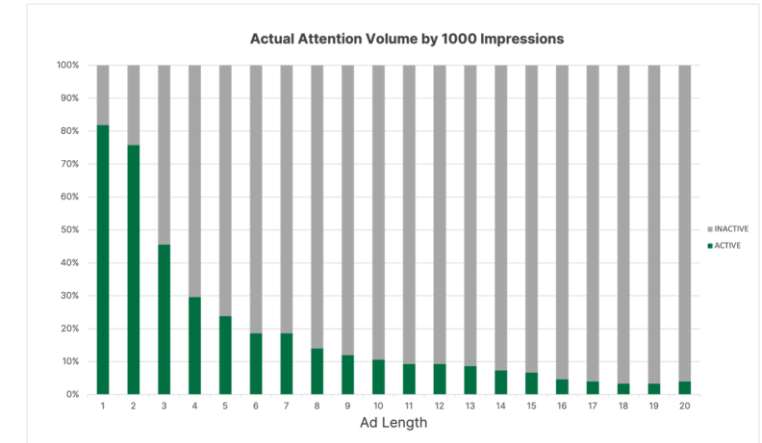
Fast

Lots of active attention early, then a super fast and steep drop off. These are high scroll, skippable formats.

Slow

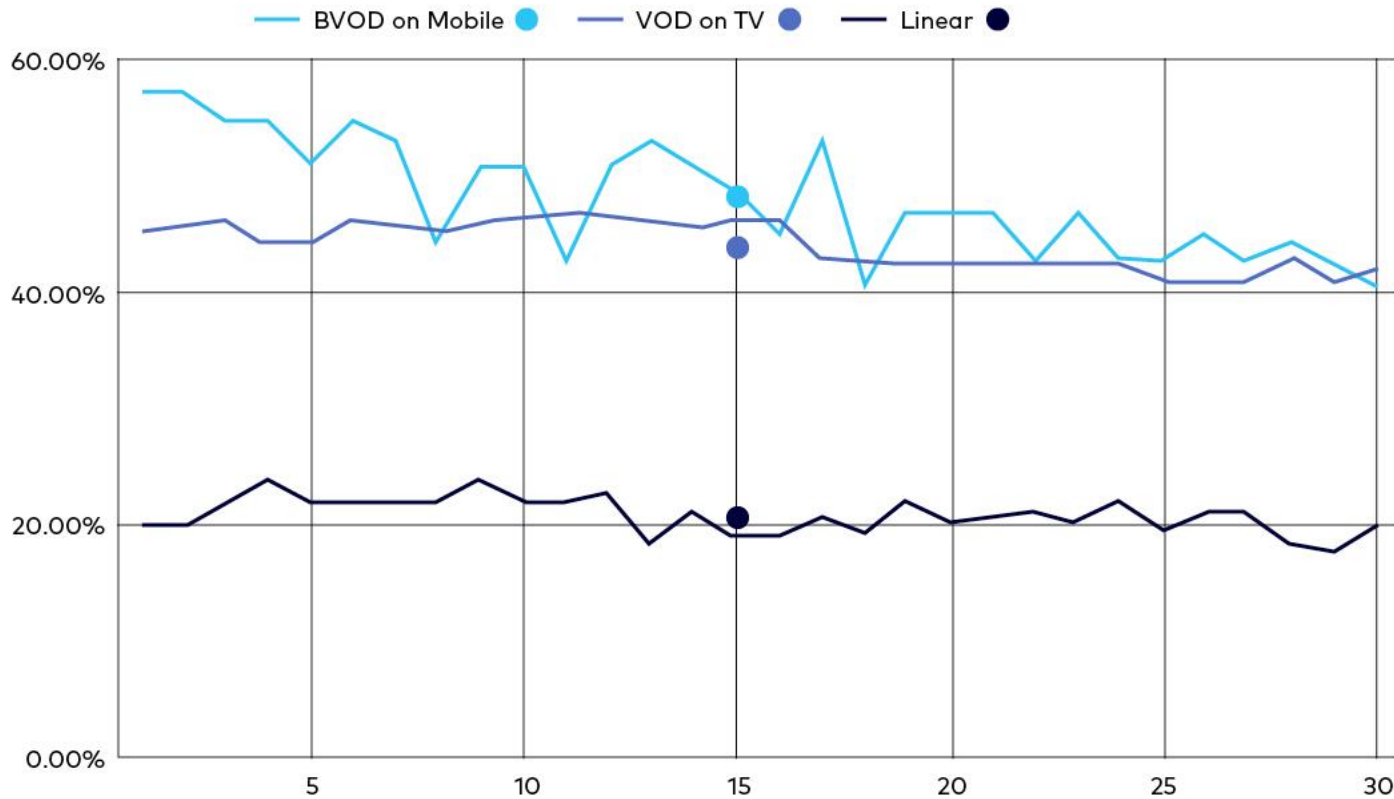
Active and passive attention is largely stable across the entire course of the view. These are formats that are NOT scrollable or skippable.

RECOMMENDATION: Do not try to put a longer ad on a fast decay format, it will not gain any more attention, a longer ad will only gain more attention on slow decay formats.



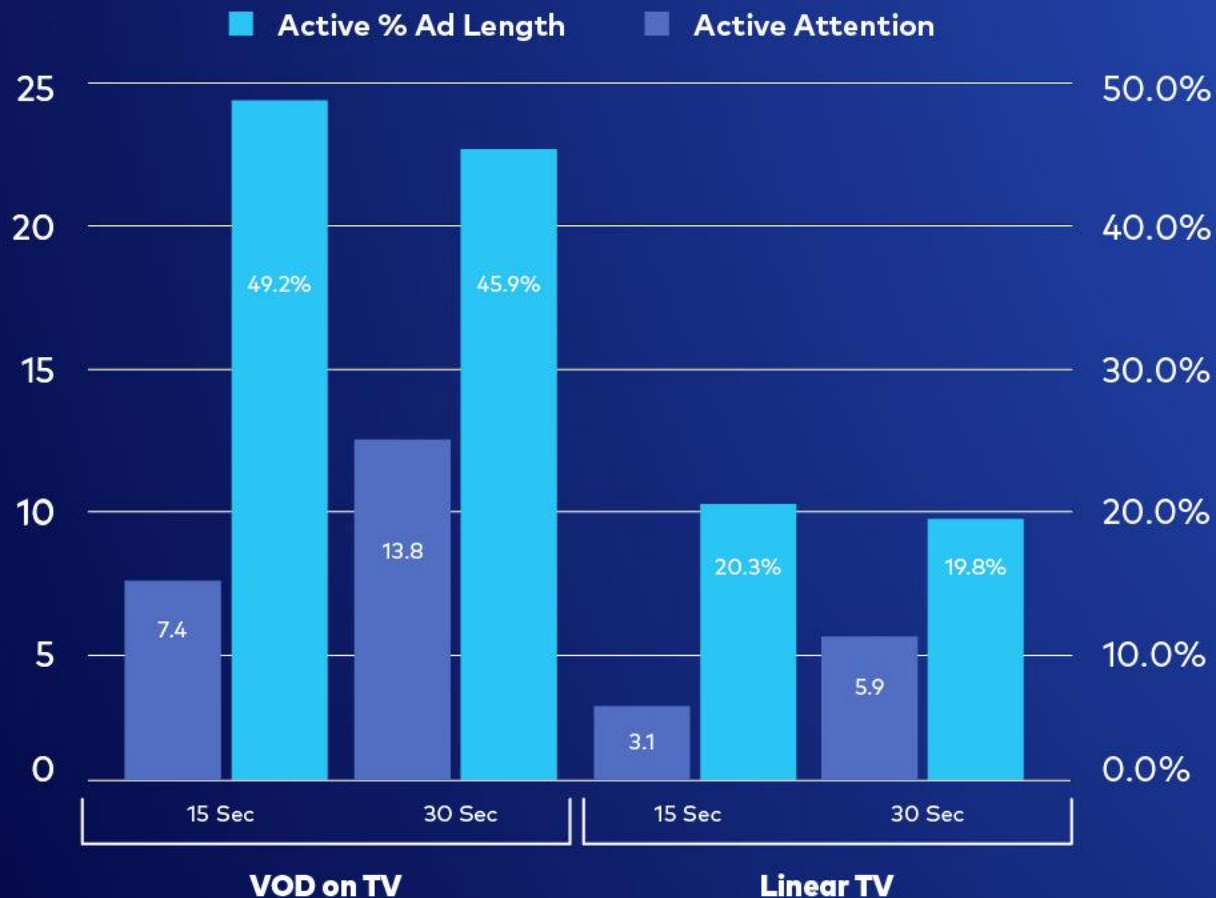
Attention Decay (30sec, all platforms)

The levels of attention decay are minimal across Sky inventory.



Attention By Ad Length

Default viewing



The longer the ad, higher the Active Attention

TV consistently outperforms its digital competitors by fostering an environment where longer ads get you more attention.

A slow decay platform means Active Attention to ad remains relatively consistent i.e. if 45% of your 15sec ad is being actively viewed, 45% of your 30sec ad will also be actively viewed - giving you more active attention seconds gained.

This would not be the case on fast decay platforms (like social media), where attention decays significantly early on. This means longer ads on fast decay platforms do not gain more active attention.

Our Top Five Highlights

- Sky VOD attention is extremely high – reinforcing Sky's significant opportunity in our digital platforms
- Attention on Linear TV continues to perform strongly in Amplified Intelligence studies and Sky Linear is no exception
- Sport is the highest attention environment for advertising (entertainment does well too!)
- Sport content itself (as distinct from Ads in Sport) has exceptionally high attention reinforcing the opportunity for brands to integrate into Live sport content
- Attention across Sky platforms decays slowly making Sky a great story-telling and brand building platform

Sky's Zones Of Opportunity

NZ's most engaging and essential multi-platform media company

The (actual) Home of Live Sport



Live Sport Content Integration



Digital Advertising



The Home Of Sport



Sky Sport: Our Content

The biggest bundle of high value sport



Audience Estimates Olympic Games Paris 2024

Digital

skySPORT NOW skyGO

14M+
Total Streams

5.5M+
Hours Viewed

400K+
Unique Viewers

Linear

skySPORT skyOPEN

2.8 million viewers



sky

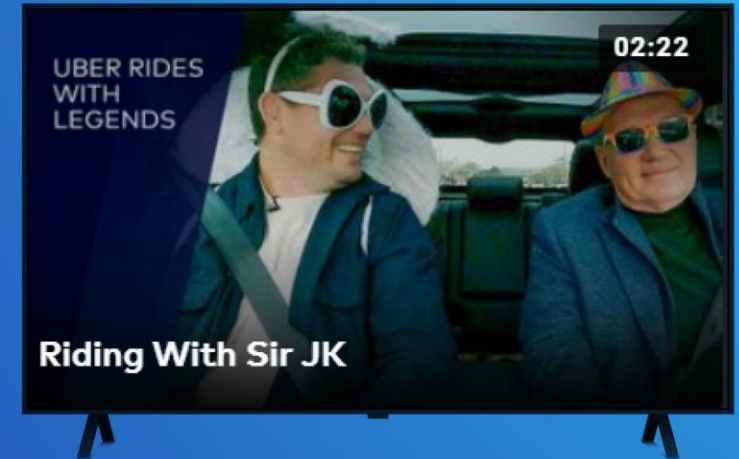
Integration Update

Integration + Sponsorship

sky

Sky's Integration Opportunity

Sky's Integration Team's vision is to maximise the commercial opportunities around Sky's audience and the depth of their attention and engagement through our content. We have a unique position around our programming to fully leverage key cultural moments and develop unique integration opportunities.



How are we going to do this?



Maximise our in programme opportunities through new products



Create new digital and social extensions



Innovate through branded content offerings



Develop new programming content for advertiser integration



Increase the capacity and capability of the Integration Team

Content Integration

Deeper partnerships to embed brands into higher attention content

Social Integration



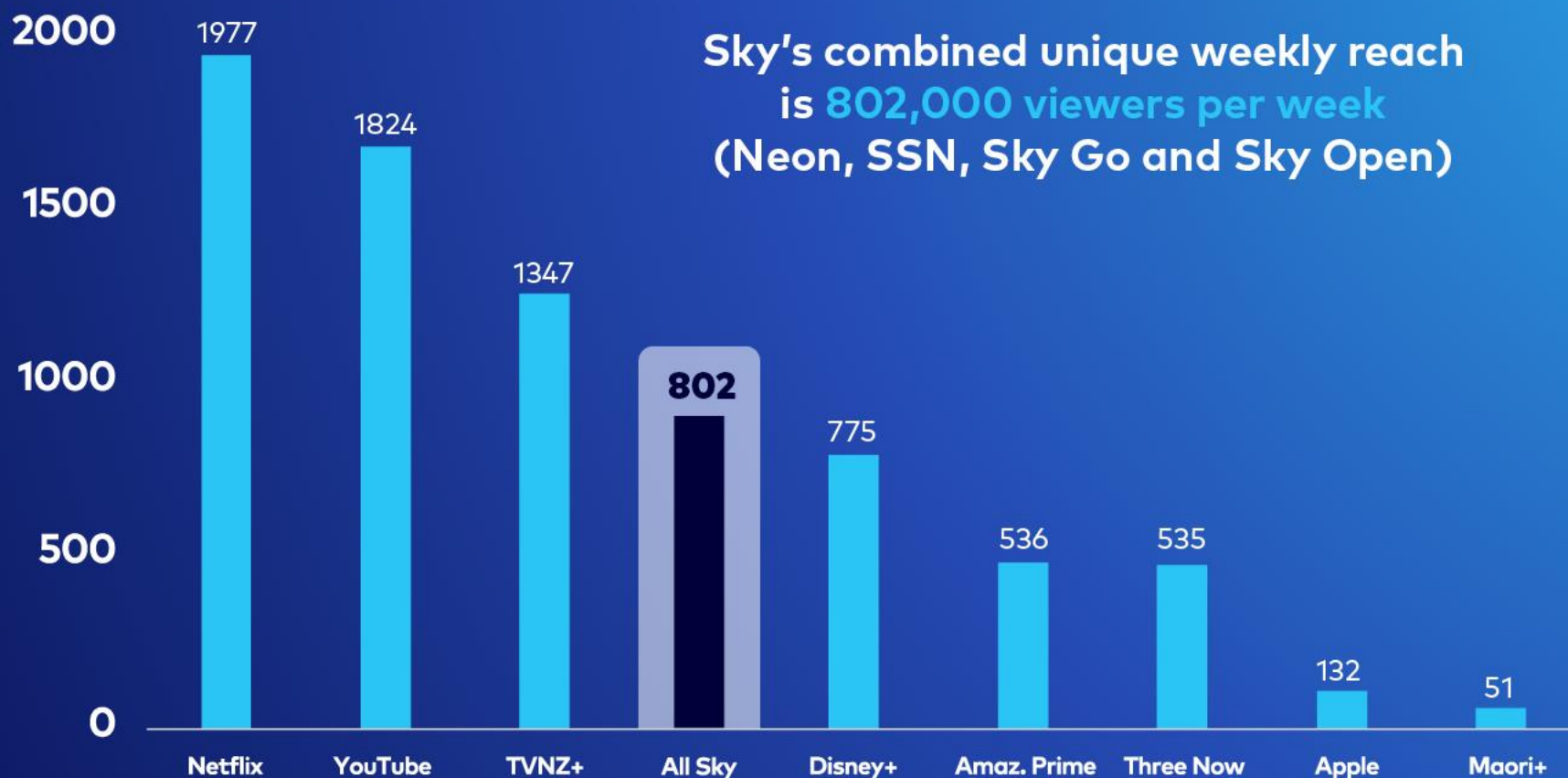
"In Content" Formats: Squeezebacks



Digital Advertising

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How big is Sky's Digital Advertising Opportunity?



Neon - Audience Profile



**SVOD PLATFORM TO
LAUNCH ADS IN NZ**



**1MIN PRE ROLL
PER HOUR**

Neon - Total Audience AP15+

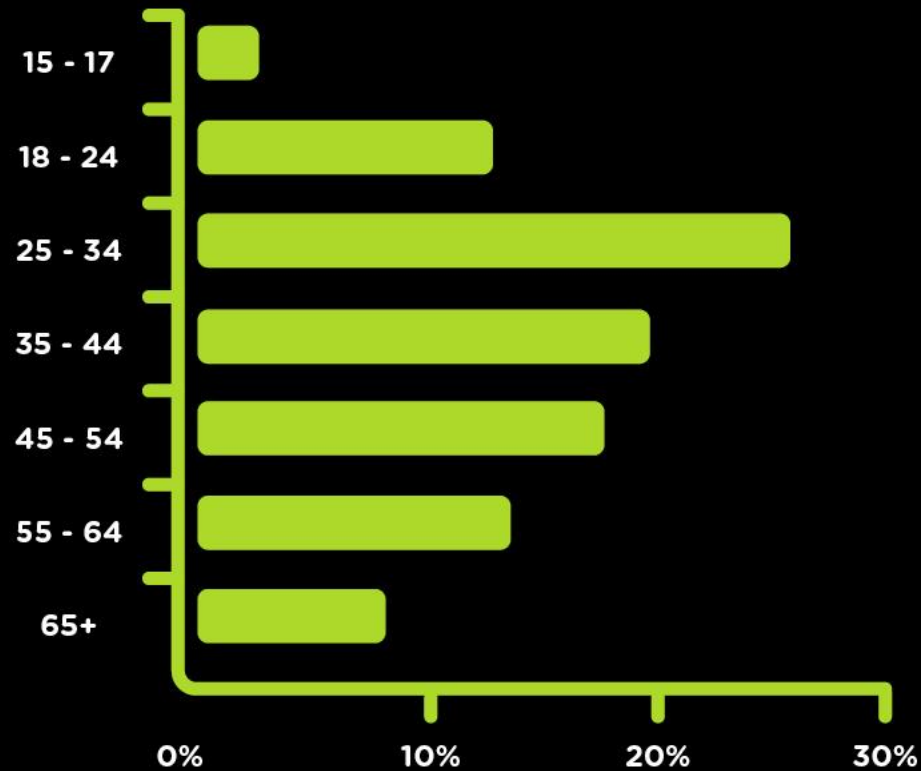
635K

Watched Neon in
the last month

374K

Watched Neon in
the last 7 days

Neon - Audience Profile



DEVICE BREAKDOWN



DESKTOP 11%



CTV 74%



MOBILE &
TABLET 15%

Watch Live & On Demand Anytime. Anywhere. Any Device.



Watch our sports on a huge range of devices – including Smart TV, desktop, console, tablet and mobile.



skySPORT NOW

ALL SPORT, NO DRAMA.

STREAM SKY SPORT AND ESPN LIVE AND ON DEMAND, ANYTIME, ANYWHERE.



WORLD CLASS SPORT

Connecting you with the sports moments that matter, anytime and anywhere.



NEVER MISS A GAME

Instant access, stream across multiple devices.



STREAMING ON YOUR TERMS

In-App purchase and choose the way you pay with flexible plan and pricing options.



LIVE AND ON DEMAND

All the sport content you need. 12 Live sports channels. Plus, replays, highlights, clips and documentaries all available on demand.



STREAM ON MORE SCREENS

Watch however you want with our wide range of devices including all major Smart TVs, Chromecast, Playstation, Apple TV, Mobile and many more.

WHAT CUSTOMERS SAY

“

Such an amazing app! Easy to use. No complaints at all from me and my husband!

”

“

Love it glad it was easy to get game sorted so I didn't miss the start of the haka go the abs!

”

“

Super easy to use and great to be able to sign up for a short period of time, being on a budget.

”

Sky Digital Advertising Roadmap

2024/25

NEON

Q1 2024

Soft launch pre-roll
(Basic tier) + AoP

Q2 2024

Sponsorship
available on shows

Q3-Q4 2024

Mid-Roll launch
(Basic tier)

sky SPORT
NOW

Q2 2024

SSN Live Stream
DAI testing

Q3 2024

Open to bookings

sky
GO

Q4 2024

Open to bookings

Q1 2025

Go Live

Appendix

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PREMIUM
ADVERTISING
IS HERE

NEON

Neon By The Numbers



PROFILES

591K

(excl. kids profiles)









UNIQUE ACCOUNTS

263K

Source: Sky Internal Data, 1 March 2024

NEON

Neon - New Subscriber Plans

CHOOSE THE WAY YOU PAY		SAVE OVER 16% WHEN YOU PREPAY		
		Basic with Ads	Standard	Annual
✓ 7 Day Free Trial		\$12.99 per month	\$19.99 per month	\$199.99 per year \$16.67/month
	✓ Unlimited access to TV series and movies			
	Screens you can watch on at the same time	2 Screens	2 Screens	2 Screens
	Number of user profiles	5 profiles	5 profiles	5 profiles
	Download available	✗	✓	✓
	Video quality	HD	HD	HD
	Ad options Learn More	Pre-roll + Ad on Pause	Ad on Pause only	Ad on Pause only
	Resolution	1080p	1080p	1080p