



## QSR Media Investments that Really Deliver: Live Sports - Streaming and Digital

*"We see a current opportunity for QSRs to invest in media in Streaming Live Sports. While CPMs for sports advertising on Streaming TV remain relatively low, inventory there continues to grow."*

As Director of Marketing Science, [Grant West](#) has become one of in4mation insights' go-to experts on the marketing mix trends having the biggest impact on the QSR Industry. He recently shared his thoughts on where restaurant sector marketers can optimize their marketing mix strategy to ensure that your marketing spend contributes efficiently and effectively to grow your company's revenue and profitability.

***QSRs should consider the current value proposition presented by Live Sports advertising on Streaming TV given recent Linear and Streaming TV trends.***

The effectiveness of live sports advertising on Linear TV has declined recently as traditional TV viewership has eroded. A recent [Linear TV usage study](#) shows that impressions among the Age 35-64 demographic in May 2023 were down 40% from pre-COVID levels and down 15% from May 2022.

By another metric, the Reach Percent – or unduplicated portion of the audience that viewed a given media plan – declined 10 points, from 25% to 15%, for the same sample schedule. Younger audiences are leaving Linear TV at an even faster rate.

A softening in advertising effectiveness for live sports now should signal that a more significant linear-to-streaming transition may finally be at our doorstep. At i4i, we believe this presents a significant opportunity, especially for QSR brands.

Despite the trends, CPMs for sports advertising on traditional TV have not declined at all, leading to lower Return on Ad Spend (ROAS). Sports advertising on cable TV networks can be relatively cheaper, but with limited live sports inventory and lower audience reach, its overall effectiveness is restricted. Broadcast sports still draw significant audiences, but ratings tend to be more unpredictable than in the past, and CPMs are as high as ever.

While most other popular programming has transitioned to streaming, live sports programming is more important than ever to TV networks in terms of keeping eyeballs on their platforms. This has given all sports leagues greater leverage in selling their broadcasting rights. Don't expect CPMs to decline here any time soon.

For example, the NBA is closing in on a new TV rights deal that is reportedly worth \$76 Billion over 11 years, 2.5 times the value of the league's current TV deal signed in 2016.

Meanwhile, more and more live sports inventory has moved to streaming, and rest assured some of that new NBA inventory will be there also as the NBA and other leagues look to maximize value by divvying up the pie.

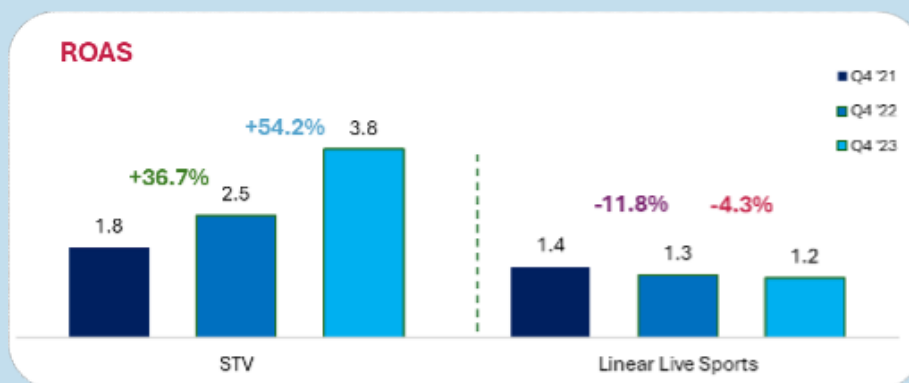
At i4i, we've seen that effectiveness for streaming channels like Amazon, Hulu, and YouTubeTV carrying live sports have steadily climbed and are often higher than for live sports on Linear TV. Live sports events are delivering large impression counts to the streaming platform and expanding the reach and subscriber bases. As a bonus, CPMs to date have remained a fraction of what you may pay for Broadcast TV.

Advertisers may appreciate other benefits of the linear-to-streaming transition for the same reason that sports leagues do -- namely that digital channels make it easier to measure, learn about, and connect with the audiences.

While CPMs for sports advertising on Streaming TV remain relatively low and while inventory there continues to grow, we see a current opportunity for the QSR industry to invest in Streaming live sports.

### Client Wins Driven by i4i Insights:

Recommendations to optimize within Streaming TV by anchoring the mix on Amazon, YouTubeTV, and EyeQ programmatic have paid off with YOY ROAS gains for STV of +90% in Q2 and +68% in Q3.



In the QSR sector, getting the most out of your marketing performance requires a great recipe for optimization. For more insights, check out our playbook with the five most important ingredients to consider when dishing up a Marketing Mix Model.

[Download the Playbook](#)

Contact us to develop your own strategy to winning in QSR media measurement and optimization at [info@in4ins.com](mailto:info@in4ins.com)