NRF: U.S. ECONOMY POISED FOR MORE GROWTH IN 2020

KLEINHENZ: NO SIGN OF ECONOMIC DOWNTURN

The economy is positioned for steady growth this year. That’s according to the National Retail Federation, which reported that despite the economic and political uncertainty that fueled 2019, consumers continued to spend — and plan to continue to doing so.

While the economy slowed to an expected 2 percent pace of growth in the final quarter of the year, the U.S. economy continued to set a record of consecutive months of growth. Based on this growth, Jack Kleinhenz, NRF chief economist, is optimistic that NRF will hit its economic forecasts for the year.

Kleinhenz shared his predictions during the “Prospects and Perspectives on the U.S. Economy” press and analyst session at the annual NRF conference on Monday.

During the session, Kleinhenz predicted that real gross domestic product (GDP) growth would slow from 2.9 percent in 2018 to a 2.5 percent range in 2019. He also expected that personal consumption growth would decelerate from 3 percent to 2.5 percent. (These statistics will be confirmed when the first estimate of fourth-quarter GDP and personal consumption spending becomes available at the end of January.)

Further, NRF predicted last February that retail sales – excluding automobile dealers, gasoline stations and restaurants – would increase between 3.8 percent and 4.4 percent in 2019. Retail sales were up an average of 3.5 percent during the first 11 months of the year.

“I think 2020 will be a little more balanced and less uncertain,” Kleinhenz said at the conference. “I don’t see any sign of a downturn. The consumer continues to be the driver for the economy, and has the ability and willingness to spend.”

Kleinhenz, citing a labor market he called “impressive,” believes that wage growth in some sectors has risen 3 percent to 4 percent. “People have confidence in their jobs, which is important to feeling secure about jobs and secure about their income,” Kleinhenz said, adding that the “consumer has the ability to spend vis-a-vis... income.”

To encourage consumers to spend, retailers will focus on how to innovate, drive efficiency and better service their customers. This will require retailers to contemplate how to invest more heavily in automation, and use it to get goods into consumers’ hands faster.

However, these investments won’t immediately translate into improved earnings, according to Steven Blitz, managing director and chief U.S. economist at TS Lombard.

“All of the innovations you see here haven’t translated into an explosion of earnings because they are competing against the final price of a product,” he said at the session. “If retail prices should stabilize or start to go up, the earnings of retail firms will skyrocket.”

ADVERTISER NEWS

Amazon is fighting against counterfeit products sold on its site by providing data on merchants to U.S. and European law enforcement whenever confirmed sales of fake products occur, Reuters reports. Some top brands had hesitated to sell their items through Amazon because of counterfeits... Citing people familiar with the matter, The Wall Street Journal reports the giant Albertsons grocery chain, which also owns Jewel-Osco and Safeway, is updating its paperwork with the SEC in preparation for a possible IPO, to be decided in coming weeks. Albertsons made one failed attempt to go public in 2015 and pulled back from a plan in 2018 to go public as part of a deal to acquire Rite Aid... Dunkin’s limited-time offering, the Beyond D-O-Double G Sandwich, features a Beyond Sausage patty, egg and cheese squeezed into a glazed doughnut, CNN Business reports. The sandwich is approved by Snoop Dogg, who has been doing ads for the chain... TGI Fridays derives about 30 percent of its revenue from bar sales, and the chain is testing improvements to everything from lighting and music to drink menus, to breathe new life into its bars. Late last year, CNBC reports, the company announced a merger with special purpose acquisition company Allegro Merger, which would take the chain public... As other retailers scale back, Giant Foods is on a roll. Globest.com reports the chain will make a new capital investment of $114 million to scale up operations in Pennsylvania over the next year with a new fulfillment center and additional stores. The improvements are meant to shore up Giant’s service in the Philadelphia market... Walmart is expanding its use of robotics and AI for “repeatable and predictable” tasks, including scanning shelves for out-of-stock items, according to Retail Dive. The retailer has robots in 350 stores across the U.S. With the expansion, Walmart is introducing the technology into an additional 650 Walmart locations in 2020, bringing the robots to a total of 1,000 Walmart stores... CVS Health will remodel about 12 stores every week to end the year with 600 HealthHUB locations by year’s end, CEO Larry Merlo said. CNBC reports HealthHUB stores feature more services and health-related products and the small number of locations that have been transformed so far are seeing higher traffic... Transform Holdco, the new owner of Sears and Kmart stores, has reached a settlement with the estate that was left after Transform acquired the company out of bankruptcy. Transform will pay $12 million to the estate, according to court documents cited by The Wall Street Journal... Domino’s Pizza has reaffirmed its long-term outlook as it enters fiscal 2020 facing headwinds from higher food costs, foreign exchange and competition from third-party delivery services. In October, the pizza chain released a two- to three-year outlook that replaced its prior forecast for three to five years. Domino’s told investors to expect U.S. same-store sales growth in a range of 2-5 percent and global retail sales growth of 7-10 percent.
NFL POSTSEASON SEES VIEWERSHIP GAINS

The NFL continues to see TV viewing success in its postseason games following its ratings bump in the regular season, Television News Daily reports.

Looking at two weeks of postseason action — eight games so far, including the wild card and divisional rounds — the NFL is up 5 percent to an average Nielsen 32 million viewers.

The most recent divisional round, which included four games played this past weekend, was up 2 percent to 33.2 million viewers versus the 2019 divisional round average of 32.6 million viewers. It was the most-watched divisional-round game average in three years.

The NFL’s regular-season games in 2019 on five networks — Fox, NBC, CBS, ESPN and NFL Network — posted a similar steady 5 percent increase, averaging a Nielsen 16.5 million per game.

Among the top paid advertising over the most recent weekend, TurboTax had 22 airings, 306.4 million impressions and $14 million in national TV advertising spend, according to iSpot.tv.

This was followed by Progressive Insurance (21 airings, 344.5 million impressions, $15.1 million); State Farm (19 airings, 382.5 million impressions, $18.9 million); Verizon (19 airings, 434.3 million impressions, $16.5 million); Pizza Hut (16 airings, 199.7 million impressions, $5.2 million); Wendy’s (15 airings, 118.9 million, $3.1 million); and Geico (14 airings, 350.4 million impressions, $17.9 million).

NETWORK NEWS

The CW is getting way ahead of the game for next season. After handing early renewals to all 13 of its current scripted series that aren’t ending this season, the network has given projects, Superman & Lois, starring Supergirl’s Tyler Hoechlin and Elizabeth Tulloch as the iconic couple, and Walker, a reimagining of Walker, Texas Ranger, which is headlined by Jared Padalecki.

Nielsen Makes Strategic Management Hires

In its latest step toward creating two separate publicly traded companies later this year, Nielsen Holdings has hired two experienced executives to lead the new offshoot venture.

David Rawlinson, currently the president of the global online business at Grainger, will become CEO of Nielsen’s Global Connect business, and Linda Zukauckas will join the company as chief financial officer, both effective Feb. 3.

Rawlinson joins from Grainger, a broad-line supplier of maintenance, repair and operating products serving businesses and institutions. He has experience running a digital business-to-business company, as well as an international background and a track record of driving growth. He will become the CEO of the newly created public company, currently referred to as Nielsen Global Connect, at the time of the separation. Rawlinson also is a member of Nielsen’s board of directors.

Zukauckas has been with American Express since 2011, most recently serving as executive vice president and deputy CFO. At the time of the separation, she will remain as CFO of Nielsen’s global media business.

AVAILS

Marquee Sports Network is the future exclusive television home of the Chicago Cubs in partnership with Sinclair Broadcast Group.

The network will be the Chicago region’s exclusive network for fans to view live Cubs games beginning with the 2020 Major League Baseball season and will also feature extensive pre- and post-game coverage, exclusive Cubs content and other local sports programming. Must have 5+ years of on-air promotions experience with portfolio of video content that demonstrates creative ability. Click Here for more info or to apply now. EOE. Drug-free workplace.

WRCB-TV, Chattanooga, Tenn., is seeking a Digital Sales Manager. The DSM must achieve revenue goals, coach, create buy-in, provide training and work with local AEs to sell digital advertising. Must demonstrate a successful history of developing digital revenues. Strong organizational skills, ability to execute/complete digital campaigns from start to finish, bachelor’s degree with 3-5 years of sales management experience preferred. Apply at WRCBtv.com, print an application and email it along with a resume to sales@wrcbtv.com, EOE.

WJZY/WMYT, Fox 46 in Charlotte, N.C., is seeking a highly motivated Account Executive who will help local and regional advertisers achieve business objectives through effective TV and digital advertising. We’re looking for someone who can bring together all our resources (FOX Network Prime and Sports, My Network TV, Digital Sponsorships and Promotions) to achieve a high level of results. Candidate must possess an aggressive desire to win attitude. A four-year college degree is required, and media sales experience is strongly preferred. Please click here to apply. EOE/M/F/V/D.

CBS3, KYW-TV and The CW Philly 57, WPSG-TV-ViacomCBS-owned and operated television stations in the No. 4 television market Philadelphia, have an immediate opening for an energetic and extremely motivated Multi-Platform sales professional. Candidates must possess strong presentation and communication skills, experience working with advertising agencies, plus proven success in new business development. The ideal applicant possesses a strong work ethic and thrives in a fast-paced and competitive environment. Visit cbsphilly.com/tvjobs and apply to be considered. EOE.

The E.W. Scripps Company is looking for an innovative and dynamic Director of Sales for KGUN in Tucson, Ariz. The Director of Sales is responsible for leading and establishing the direction of the stations’ sales team, and will create and manage non-traditional revenue and new business projects. Bachelor’s degree with marketing major and a minimum of five years of local and national TV sales management experience required. Experience in an LPM market a plus. Click Here for more details or to apply. EOE.

See your ad here tomorrow! Click Here for details.
TWO BILLIONAIRES PROPEL POLITICAL SPEND

The latest numbers from the Ad Age Datacenter analysis of political ad spending continue to underscore the unprecedented nature of the 2020 presidential election cycle, with two billionaires — one of whom is among America’s 10 wealthiest people, with a personal net worth pushing $60 billion — driving the spending into uncharted territory.

The analysis, which was conducted in partnership with Kantar/CMAG, shows that former New York City mayor Michael Bloomberg and hedge fund titan Tom Steyer have between them accounted for more than three quarters of the overall spending on television and radio.

Bloomberg ($153 million) and Steyer ($118.2 million) have dropped a combined $271.2 million. The billionaires’ joint spending represents 75.6 percent of the $358.7 million that’s been spent by the entire presidential field to date, including the candidates who have already folded up their tents.

President Trump ($18.8 million) is the third-highest spender, and his campaign said earlier this month that it has more than $100 million at its disposal, with almost half of the total raised in the final quarter of last year alone.

The president is followed by Sen. Bernie Sanders ($14.8 million) and South Bend (Ind.) Mayor Pete Buttigieg ($11.4 million). All other candidates to date have spent a combined $42.5 million. Sen. Elizabeth Warren and former Vice President Joe Biden failed to crack the top five.

Ad Age’s report notes that the top 5 spenders on TV and radio have already spent nearly $316 million, representing 88 percent of the overall total.

EXECS: ESTEEM BETTER, INDUSTRY MIXED BAG

Interviews conducted with executives in the advertising industry suggest there are a lot of mixed emotions out there.

Both advertisers and agency media pros say their professional esteem has gotten better in recent years. But they’re not so sure about the state of some of the industry’s traditionally emphasized characteristics, including ethics, regulatory issues, advertising clutter and consumer respect.

That’s according to findings of interviews conducted by Advertiser Perceptions for Research Intelligencer. In terms of its societal impact, the industry is basically split.

The interviews were conducted late last year as part of a benchmark on the industry’s state coming into 2020, MediaDailyNews reports.

According to the research, 43 percent say their professional esteem has improved, while 25 percent say it has gotten worse. But the results aren’t as inspiring with issues like ethics (33% say better, 70% worse), consumer respect (41% better, 56% worse), regulatory issues (21% better, 40% worse) and ad clutter/spam (47% better, 74% worse).

The most substantial chasms are among those who see ethics and ad clutter improving versus those feel those things are getting worse.

In assessing the industry’s impact on society, it’s a split decision: 55 percent say it’s better, 56 percent say worse.

The report notes that those percentages reflect the share of responsive ad executives — and don’t necessarily add up to 100 percent.

U.S. CENSUS BUREAU LAUNCHES $500M AD PUSH

The U.S. Census Bureau, in partnership with VMLY&R (Team Y&R), has revealed its $500 million campaign to raise awareness and showcase the importance of reaching as many households as possible across America for the 2020 Census, Campaign US reports.

After conducting in-depth research, the Census Bureau and its agency team created more than 1,000 ads in 13 languages to reach 99 percent of U.S. homes for the “Shape your Future. Start here” initiative.


The campaign, about $250 million of which has gone to the media buys, with the rest being divided between creative, strategy and community outreach, will run in three phases. The first is around awareness and education from Jan. 14 to March 12, followed by motivation and participation March 13 to May, and ending with reminders and non-response follow-ups May 13 to June 28. Media includes TV, radio, digital, newspapers, magazines, billboards, events and more.

SQUARESPACE, PLANTERS RETURN TO BIG GAME

Squarespace will return to the Super Bowl after sitting out last year, Ad Age reports. The company’s 30-second spot will air between the first and second quarters, a spokeswoman said. She declined to provide specifics on the creative, which was developed in-house.

Squarespace made its Super Bowl debut in 2014, and has run ads starring actors Keanu Reeves, Jeff Bridges and John Malkovich.

Planter’s, meanwhile, is returning to the Super Bowl with a spot featuring Veep star Matt Walsh along with the brand’s Mr. Peanut spokescharacter.

In 2019, Planters’ 30-second spot featured Mr. Peanut doing some reckless driving. It starred baseball legend Alex Rodriguez along with a cameo by actor Charlie Sheen.

MONDAY NIELSEN RATINGS - LIVE + SAME DAY

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