

NBCUniversal continues to bet big on shoppable content

Article

The convergence of media and commerce is inching closer. **Nearly a year after adding a direct checkout feature to its platform**, NBCUniversal is investing further in the commerce space.

We recently spoke with Josh Feldman, NBCU's newly appointed CMO, and Evan Moore, vice president of commerce partnerships at NBCU, about the company's commerce ambitions, as

well as its upcoming One21 event.

What's One21, and what are you hoping to get out of it?

Feldman: We decided to dive into brand-new territory, and that's the platform developer space. We want to do our own version of a developer conference, but the difference between us and a lot of these traditional platforms is the content, storytelling, and entertainment that we have.

The idea behind the day (it's taking place on March 22) is that we want to open up to build for all of our partners out there. That obviously includes those in the advertising space—advertisers, clients, ad agencies, creative agencies, planning groups. But we also want to talk to our partners in tech, measurement, and commerce. It's about building together, from a local to a global scale, in everything that we do.

During the event, we'll talk about content, but then we're going to dive into our investment in technology, and our data, measurement, and commerce initiatives. This is going to have a very different feel from a traditional "media company presentation."

Is this meant to replace the traditional upfronts presentation NBC does every year, or complement it?

Feldman: It's different. The upfronts still has its own place and its own purpose. And we will still do a programming event later on in the year, where we'll roll out all of our pilots and new programming initiatives. And you'll see that through our investments in technology, data commerce has a very different sort of tonality from what you would see at Radio City Music Hall, where we hold our upfronts presentation.

You mentioned commerce being one of NBCU's key focuses. It's been almost a year since you've added a direct checkout feature within your shoppable TV ads. What have you learned, and what's on the horizon?

Feldman: What we saw last year in the space of commerce was not a change in people's thinking; it was an acceleration of what was already happening out in the world. It made us as a company feel good that we were working on this strategy to blend the crossroads of media content and commerce together in one place. So, last year, the biggest announcement for us was the creation of NBCU Checkout. It's our own proprietary checkout mechanism that can be layered over any piece of appropriate content to turn it into a shoppable experience for the viewer without them having to leave the content itself.

In the past, we found that the hardest part of blending content and commerce was that people came to us for the content, not necessarily intending to shop—although we can certainly influence that based on our content. But if we send them away from the content they came for, then that defeats the purpose.

Moore: Consumer behavior has changed. Before, consumer behavior was asynchronous, where you might see an advertisement and be inspired to consider or try a new brand. And then that was something that was lodged in your head, and you maybe acted on it weeks or months later while at the mall. Now any shopping attempt you have can be immediately acted on through either your mobile device or desktop while watching a TV program.

We're going to see the real effects of this in the next 12 to 18 months, as the market starts to actually shift to cater to that change in perception and behavior. There are whole categories of advertising budgets that are going to be shifting from in-person advertising outlets, like end-cap displays at grocery stores or sales circulars, and finding homes now on audience platforms where users can react directly to the content and advertising that they receive.

So, NBCU's shoppable content is available via linear TV and streaming apps? Is it also available through the Peacock app?

Feldman: We're working with Peacock right now, and that will be something that we can talk about very shortly.

Moore: What we can speak to right now is that NBCUniversal Checkout is primarily executed through the web. So, it gives us the ability to take any piece of web content—whether it's an article, video, or even a traditional ad unit running as a rich-media unit display or a video ad unit in a pre-roll or mid-roll slot—and then make those content experiences instantly and natively shoppable. When a user encounters a product, they can click on it and get more information, add it to a shopping cart, and check out, all without interrupting the video they were viewing.

We've seen interaction rates north of 30%. And we've also extended this into linear programming through the use of the shoppable TV product, where we can actually take a segment within a program that talks about products or subjects related to a product, and then provide an instant call to action for a user to scan the code and go directly into a second-screen experience on their phone. Then, there's a chance for additional digital narrative and content experiences on their second-screen device.

What brands are you currently working with?

Moore: PayPal is one. The company came on board in Q4 2020 during the holiday season, and it wanted to bring its offerings to the forefront of consumers' holiday shopping experiences. We were able to do that through the creation of a digital "Holiday Gift Guide," which we published across six different properties in our portfolio, ranging from the "Today" show to Bravo to Telemundo, and then even into NBC Sports and Syfy. We saw incredible success in terms of the actual commerce that we drove through the Gift Guide.

And then the shoppable "Southern Charm" episode featuring Sewing Down South [a lifestyle brand by Craig Conover of Bravo's "Southern Charm" reality series] was really our first foray where we utilized the talent within NBCU's ecosystem. That partnership was a really organic way to not only drive value and commerce, but also deepen the consumer and viewer experience through our own talent and properties.