

## Research shows advertisers new ways to hunt for TV bargains

August 18 2009, by Melissa Anderson

(PhysOrg.com) -- The scene is played out in living rooms across America daily: A favorite television show builds to its riveting conclusion, and a commercial for fast food, automobiles or laundry detergent fills the screen.

For anyone with a favorite show, this is a common and predictable occurrence. There is the plot, the back story, the buildup and, of course, the commercial.

But how are TV audiences responding to these interruptions in programming?

That question was examined in new research from the University of Wisconsin-Madison, which used second-by-second tuning data to examine audience retention rates of <u>TV programs</u> during commercials for a full television season.

Television, a medium that sees the exchange of billions of dollars in advertising purchases each year, is widely recognized as the sacred ground of media planners.

For those purchasing TV advertising, there is perhaps no better feeling than finding just the right time and audience to wow viewers with the latest interpretation of what their brand or product should mean in the lives of current and prospective customers.



And for years, buyers have subscribed to the notion that the bigger audience, the better and, ultimately, the more expensive the ad buy. As such, commercials that run during popular shows such as "Grey's Anatomy" have yielded more dollars than ads running on less popular programs.

David Schweidel, an assistant professor of marketing at the Wisconsin School of Business, co-authored a study titled "Bargain Hunting' in Television Advertising," which challenges some conventional ideas about commercial placements.

It found that the practice of using program audience measures alone to determine value of ad buys often falls short of providing marketers and media planners with the information about the size of the audience potentially exposed to their ads during commercial breaks.

"Our research calls into question using program popularity as the sole basis for advertising decisions," says Schweidel. "It is helpful to ask whether buying a pricey ad spot on a top program will really give you the audience attention you're after."

Schweidel and co-author Robert Kent of the University of Delaware analyzed tuning data from a full television season across all five broadcast networks to examine the drivers of the gap between program and commercial break audience measures in a large West Coast metropolitan area.

By modeling the fraction of set-top boxes tuned to television programming, the program share, and the gap between measures of the program share and commercial break share, they find that viewer retention drops, in some cases, by more than 20 percent when programs go to commercial. That's far greater than the conventional wisdom — which held that 5 to 10 percent of the audience was lost during



commercials.

That translates to lost exposure for advertisers.

Among other key discoveries, Schweidel and Kent found that commercial audience size varies across genre and networks and even depends on the time of day. Dramas, in particular, have increased program popularity and reduced commercial avoidance, while repeated episodes are not as popular but experience less commercial avoidance.

Late-night shows, the study finds, are less susceptible to commercial avoidance. And the length of a commercial break and whether other commercials are simultaneously on other channels also affects how many people stay tuned.

Findings also show the gap between program and potential commercial break audiences can vary during an episode.

In addition to linking program popularity and the measure of ad avoidance to observable characteristics, the authors found evidence of show-specific effects, which they argue can result in potential bargains and lemons for media buyers.

Specifically, results revealed that the popular reality show "American Idol" had a higher share than is expected, based on its program characteristics, and was expected to experience less avoidance of commercials by viewers.

"Hell's Kitchen," "Pussycat Dolls Present" and "Malcolm in the Middle" also had higher-than-expected program attractiveness, but experienced more commercial avoidance than program characteristics would suggest. On the other hand, "Big Brother 8" attracted a smaller share of viewers than expected and experienced more commercial avoidance.



Schweidel warns advertisers that they should give pause when considering ad buys on the so-called "obvious" high-eyeball programs, as the larger program audiences may not be reached during commercial breaks.

For example, while programs such as "NASCAR in Primetime," "Jericho" and "Aliens in America" drew smaller audiences than other programs with shared characteristics, they were expected to experience less avoidance of commercials and may have been appealing to advertisers on the hunt for bargains.

Provided by University of Wisconsin-Madison (<u>news</u>: <u>web</u>)

Citation: Research shows advertisers new ways to hunt for TV bargains (2009, August 18) retrieved 1 May 2024 from <a href="https://phys.org/news/2009-08-advertisers-ways-tv-bargains.html">https://phys.org/news/2009-08-advertisers-ways-tv-bargains.html</a>

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