

# Digital video recorders do not change shopping behavior

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Watching a television show from a digital video recorder (DVR) gives viewers a chance to skip commercials, but new research finds that owning a DVR does not influence the demand for advertised products despite its ad-skipping feature.

In fact, only a small percentage of ads were fast-forwarded by DVR users who participated in the study, and even that did not have an adverse effect on sales.

The research was conducted by Jean-Pierre Dube from the University of Chicago Booth School of Business, Bart Bronnenberg from Tilburg University in The Netherlands and Carl Mela from Duke University.

Previous reports have found and predicted significant ad skipping by DVR users, which led many to question the future of advertising on U.S. network television. "Contrary to conventional wisdom, DVRs may not present a threat to network advertising," the authors said.

The research, in the December issue of the [Journal of Marketing Research](#), analyzed the results of a large study conducted by Information Resources, Inc. and a group of consumer packaged goods manufacturers. Participating households were given a [TiVo](#), which is a popular DVR in the market, and a subscription to use the service. TiVo provided the data on how households used the recording device. This data was then matched with each household's products did not significantly change two years after receiving a DVR. Households did not shift to store brand

alternatives, even among the most intensive DVR users. Moreover, there was no effect on sales of recently launched brands, which typically gain the most from television advertising.

A potential explanation for the lack of a DVR effect is that households do not watch most of the shows they record. Even if ad skipping rates are reportedly very high, a relatively low rate of watching recorded shows means that there is effectively only a small reduction in exposure to ads, perhaps too small to make a difference in households' shopping behavior. Indeed, the authors found that only five percent of the shows that [households](#) watched were viewed after they were recorded.

There are additional possible explanations for the lack of a DVR effect. It is quite easy for viewers without a DVR to avoid watching a commercial by channel surfing or leaving the room, so those who watch a live program do not necessarily watch more commercials. Moreover, because DVRs allow people to watch their favorite shows in their free time they can potentially see more ads than otherwise, which further offsets any adverse effects of DVRs.

Another possible explanation for the lack of a TiVo effect, the authors say, is that television advertising may not have a discernible impact on sales in the first place.

Previous studies also have noted that DVR users tend to be more attentive to commercials when they are fast-forwarded even if viewers cannot hear what is being said, which suggests that the impact of fast-forwarding ads on sales may not be equivalent to commercials that are not seen at all.

Provided by University of Chicago

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