

TiVo brings ad search to subscribers

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DVR vendor/service provider TiVo launched Monday "TiVo Product Watch," offering subscribers searchable advertising and content.

Some 70 advertisers and 100 leading brands are participating in the initial launch of the almost Google-like ad service providing a variety of ad content within the five categories of Automotive, Entertainment, Financial, Lifestyles, and Travel and Leisure.

Those companies that will provide new formatted ads include General Motors, Sony Pictures, Lending Tree and Kraft Foods.

"Bringing to market the innovative TiVo Product Watch solution is another powerful example of TiVo's ability to lead the industry and distinguish the TiVo service from generic DVRs in the marketplace," said TiVo's CEO Tom Rogers. "TiVo Product Watch will, for the first time, enable TV viewers to get commercial information about a product they are interested, when they want it, rather than through traditional TV advertising, where a viewer has no control of what ad comes on when they are watching a program."

According to TiVo, its 4.4 million subscriber base will be able to create searches and select advertising content based on their favorite brands or opt-in to receive video content directly from a company on an ongoing basis.

Subscribers can expect ads ranging from one minute to 60 minutes, including cooking demonstrations from Kraft Foods, an infomercial on

understanding the impact of different types of mortgages from Lending Tree, behind-the-scenes movie trailers from Sony Pictures, and new automotive features and aesthetic options from General Motors.

Specific details of the deal were not disclosed, but the interactive direct response advertising program was launched last year, according to TiVo, in which subscribers could respond to a customized call to action or branded "tag" in select commercial spots.

"We are pleased to launch TiVo Product Watch with more than 100 participating brands," said Davina Kent, vice president of TiVo's national advertising sales. "Delivering informative and entertaining advertising content to consumers that have already expressed an interest in a brand or category is another important and valuable step forward in our efforts to help our advertising partners reach consumers that are 'In Market'."

Those who partnered with TiVo to help advertisers and develop pricing based on a cost per download and set-up fee include Starcom MediaVest Group, MindShare, Cmedia, BrightLine Partners, Interpublic Group, OMD and The Richards Group, along with Comcast Spotlight of Comcast Cable.

"We are in a video era where consumers not only expect choice and control, but demand it," said Jen Soch, vice president and associate director of Advanced TV, MediaVest USA. "By providing a platform for consumers to customize their viewing experience, TiVo Product Watch meets the needs of both. Consumers can seek content relevant to them, and marketers benefit because they are providing valuable information when and how they want it."

But some analysts like Todd Chanko, with research firm JupiterResearch, argue that "TiVo is offering merely what the Internet

already does."

"This is just another refinement of the interactive advertising movement," he said. "And advertising is more sophisticated in the 21st century."

According to Chanko, one of the underlining assumptions using a DVR is that subscribers are skipping commercials, and he questions how the new service will make customers more pre-disposed to these ads targeted at them.

He also said companies already spend a great deal of money on research for product ads based on the viewer base for shows such as "Desperate Housewives." Adding to that, consumers at home with Internet or broadband could easily just access the new content ads without needing the TiVo service.

"It'll bring in revenue, and it causes no one any harm. ... It's not a bad thing to do," Chanko said. "But as a service, it already has competition, and that source is the Internet itself."

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