Contact UsLog OffEdit ProfileLetters to the EditorSubscriber ServicesMedia KitPrivacy PolicyArchives

Search: GO Advanced Search

Media Business
March 13, 2006

Sellers' Time for Compromise

Shifted Viewing Puts Consumers in Control, So Plan to Reach Them on Their Terms

By Mark Dominiak

Special to *TelevisionWeek*

Story continues below...

Two weeks ago I moderated one of the discussion panels at *TelevisionWeek*'s annual Media Planning Conference. The panel's discussion covered Nielsen's evolution in reporting the ratings of time-shifted viewing and the impact of this new data on media planning.

We covered a wide range of subjects related to the topic, from the growing complexity of the situation to the industry's forgetfulness in including time-shifted VCR viewing in the overall discussion. Though the panel covered a lot of ground, in a brief conversation I had afterward with panelist Shari Anne Brill of Carat, we both were a little rueful that we didn't have time to touch on one aspect of the DVR audience issue: the value of that audience for time-shifted commercials with time-sensitive messages.

For example, what if your brand is a retailer promoting a sale with very specific dates? Or maybe your client is a car dealer offering incentives for only a very short time. Consider the time sensitivity of plans for movie studios trying to pump up the opening weekend for a film release.

Even if the time-shifted playback of ads is not fast-forwarded and is viewed in its entirety, the exposure is basically useless if playback occurs after the window of relevance for the message has expired.

I want to take some time to discuss not the specificity of time-sensitive messages but the underlying implication of message situations like this. While we in the media planning community realize the underlying implication, it seems that we consistently get sidetracked from considering it head-on.

This kind of situation should starkly remind us that we are moving from the comfortable environment where we, as sellers and marketers, control the marketing communications channel to an environment where we are slowly losing that control.

Caveat Emptor

The Latin phrase *caveat emptor* is understood by most of us as "buyer beware." What the concept suggests is that the consumer needs to be vigilant, because the selling situation is to the seller's advantage.

A category or market evolves to an equilibrium point where certain characteristics determine the dynamics of transactions. In a caveat emptor situation, those dynamics inevitably force consumers to compromise in some respect to make a transaction.

A humorous example of *caveat emptor* is illustrated in "Father of the Bride," when Steve Martin's character goes on a rant to a poor stock boy and an assistant manager at a grocery store. At the crescendo of a bad afternoon, Mr. Martin's character is pushed over the edge by having to make the consumer compromise of purchasing more hot dog buns than he needs because the wiener- and bun-makers have "hatched a conspiracy" to provide unmatched quantities. He proceeds to remove the superfluous buns, which lands him in jail.

When companies can provide offerings that break compromises that consumers have been forced to make in a category or market, consumers will rapidly follow. Competitors that can react quickly benefit from the opportunity. Think about how Southwest Airlines broke consumer compromises in the airline category, providing quality service and low fares to consumers when many thought it wasn't possible. Many airlines have run into bankruptcy and labor problems of late, but Southwest continues to thrive.

In the media and communications environment, DVRs, video-on-demand, iPods and other handheld devices have given consumers tools to break compromises they have had to make for ages, heralding a shift of advantage from sellers to consumers.

Caveat Venditor

The advantage shift means sellers and marketers are finding themselves in a very unfamiliar place, in which they are now the ones who have to make the compromises to facilitate the transaction of content. The name of the place is *caveat venditor:* seller beware.

As last month's piece on growth and change discussed, most people respond to changes in their environment by using the tools that have been successful up to the point at which the change occurred. In this case, pushing message content through to consumers in standard ways under the assumption that the communications environment will work in the captive way it has for years and years.

But that's not the case any more. Viewers are no longer inclined to passively wait for a time and place to consume content. They have choices and technology available to them to eliminate compromise and shift consumption of content to a manner and time of their choosing. And consumer choices are now forcing sellers and marketers to compromise.

Decreased marketplace impact due to lost relevance of time-sensitive messages is just one of those compromises. What about the loss in reach impact? Phenomena such as time-shifting have the end result of flattening out what used to be the reliable immediacy of television reach as penetration of technology increases.

If delivering reach in a timely way is something imperative for a planner's brand, time-shifted viewing will need to be considered. Since the programs that seem to experience the most time-shifting impact tend to be those that are hot and deliver the biggest ratings, brands that need immediate impact may have to reconsider the value of being in the hot property in favor of other solid programming that can deliver the needed immediate reach with less chance of negative time-shift impact.

We also need to be wary of compromises that are not so obvious. Among the spectrum of tools we use to assess plans are those that quantify basic reach and frequency. Those tools are generally founded on reach curves that reflect the traditional immediacy of television reach.

Because DVR penetration is still relatively small, the impact of time-shifting would add only a minor amount of error to things like weekly reach. But as penetration grows, if the tools don't change to mirror the new compromise, the error level in weekly reach assessment will grow.

A low-tech time-consuming way to account for time-shifting would be to determine how much of planned weekly rating point levels will be viewed in the planned week and how many will be time-shifted into the next, and allocate weight appropriately before running a reach and frequency. That approach would minimize the error in reporting weekly reach should that be a need for your brand.

Adapt to Environment

We as media people can invest significant amounts of time and resources into discussing how to quantify new compromise phenomena such as time-shifting and integrating new knowledge into our standard processes. But the real challenge for us is to acknowledge the shift to a *caveat venditor* environment and try to develop new strategic approaches and message delivery tactics that not only honor the consumer but shift control of content and message delivery back in the direction of sellers.

Shifting control back in our direction may seem like a tall order, but we won't have a chance of getting there unless we put forth real effort. As television content viewing behavior changes, a good first step is to start allocating dollars in plan budgets to follow consumer behavior.

Look into existing DVR placement opportunities or enter negotiations with sellers to establish unique messaging contact points in the DVR space. Or consider the ability to communicate with captive consumers on their iPods. The networks are evolving to provide content opportunities, as is evident at CBS, ABC and even NBC with the pilot episode of "Conviction," which the network made available for free on iTunes before it aired.

These are real opportunities. A recent Frank N. Magid survey found that 72 percent of potential video iPod purchasers said they would be willing to watch an ad in exchange for a free download (see separate story). When consumers agree to be captive to an ad in order to obtain free content, we need to step up with engaging placements and messages as a reward.

Mark Dominiak is principal strategist of marketing, communication and context for Insight Garden.
E-mail to a FriendFormat for Printing

EXECUTIVE BRIEFING

CLASSIFIEDS

Classifieds

RESOURCE/TOOLS

Datebook

Roving Eye

TV LINKS

TV Week Links

SUBSCRIBE

ADVERTISING

Media Kit

SPEAKOUT

What's the biggest challenge in developing sales promotion/marketing strategies?

NEWSMAKERS

Newsmakers

WEEKLY RATINGS

Weekly Ratings Chart

AWARDS CENTRAL

57th Annual Primetime Emmy Awards

63rd Golden Globe Awards

Winter 2006 Critics Poll

The Rise of the Antihero

Contact Us|Register|Letters to the Editor|Subscriber Services|Media Kit|Privacy Policy

Copyright 2006 Crain Communications Inc.
Site Design, Programming and Administration by Chaffee :: Interactive