

## **DVR Killed the Video Star?**

Inundated by media coverage about technology and each new “wave of the future,” it is no wonder that advertisers are fearful about the future of their media dollars – especially the rumored death of the 30-second television commercial. And although most sources finger the invent of the DVR (digital video recorder) as the culprit in this insidious plot, some argue that this technology has not affected television advertising nearly as much as some may fear.

With increasing sales of digital recording devices (such as the DVR and TIVO units), advertisers worry that the ability to fast-forward through commercials may decrease their viewership, without an offsetting savings in media spending. Sounds like a reasonable concern, but let’s examine the facts.

First of all, only 17% of American households own a digital recorder, and of those that do, the overwhelming majority only have a single unit – compared to their 2.24 televisions in the home.

Secondly, the vast majority of recorded programming is primetime, network shows. The incidence of viewers recording programs airing on cable is considerably less, as cable programming airs multiple times on the network for viewer convenience.

Additionally, of those programs that are recorded from primetime networks, digital recording is seldom (if ever) used to record *real time* programming, such as news, live reality shows, or sporting events. Most viewers prefer to watch this type of programming in real time. After all, who watches the whole game if you already know what the ending score was?

A third consideration when discussing the impact of digital recording is the inconvenience of “avoiding the commercials.” When viewing a recorded program, the system does not recognize commercials as being any different than the program itself. Users are forced to manually fast-forward through the commercials if they so choose. This can have varying effects, however.

Some viewers do not bother fast forwarding through commercials at all. They either just simply watch the commercial or leave the room; exercising typical habits of non-recorded viewership. For those that choose to fast-forward the commercials, however, they are forced to watch the commercials intently (even in fast-forward mode) in anticipation of the program resuming. In many cases, this type of impression is actually preferable. Not only is the commercial message (and company logo) viewed intently (as opposed to the viewer that leaves the room to visit the refrigerator), but often, the commercial is watched repeatedly, as the viewer is forced to rewind because they didn’t press the play button at the appropriate time. Not to mention, commercials that are well-liked by viewers are

often replayed for mere entertainment value – a feature unavailable in traditional viewing.

And finally, what would an article about advertising be without talking money? As of now, advertisers can rest easy knowing that the Nielsen rating system does not isolate recorded programming in rating reports. Unlike the video recorders of yesteryear, digital recorders record programs while the television and cable box is turned off. Nielsen ratings report the number of televisions that are actually tuned to the station during the program airing – making digital recording a *bonus* to the Nielsen estimates. In fact, television networks are trying to force digital recording to be included in the rating systems, as it would increase their viewership ratings. If, or when, this happens, you can be sure that WCi will be the first to let you know.

Bottom line: Television is still one of the most powerful vehicles available to build a brand and tell your company's story. The flurry of media attention that has been paid to digital recording is simply not substantiated with facts. To quote Mark Twain, "The reports of my death (or in this case, the death of the traditional television commercial) have been greatly exaggerated."