



Business Builder

Tips & Techniques to Help Your Business Grow

Make Sure You're Getting What You Paid For With Cable

Cable is losing ground to satellite delivered television, so if your business is using cable as an advertising medium, make sure you're getting what you paid for.

The Television Bureau of Advertising (TVB) calculates that satellite and other alternate delivery systems (ADS) now deliver television programming to 20.8% of US Households, up from 19.2% a year ago, based on Nielson NTI data. That means that cable systems lost 1.4 million subscribers over the past year, with household penetration dropping to a 13-year low of 71.4 million, or 64.8% of American households.

"Advertisers who buy cable locally need to know that local wired cable systems' ability to deliver commercials continues to erode. In fact, 42 markets now have ADS penetration of 30% or more," said Susan Cuccinello, Senior Vice President of the Television Bureau of Advertising.

"Local cable commercials are not seen in ADS homes, and so local advertisers need to deduct the ADS percentage of the audience if they are included in the cable systems' submissions," says Cuccinello.

Cable television is still a very affordable and effective medium for reaching customers, but here's some tips to help make your cable tv buy more efficient.

> **Ask your salesperson to give you an updated household penetration figures from the last several years.** This way, you can determine if the channels you're buying are gaining or losing viewers.

> **Split your television budget between cable and broadcast tv.** A lot of people who have satellite television still use an antenna to pick up the "local" stations. Consider putting part of your budget on these broadcast channels which will reach all television viewers.

> **Use falling viewership to negotiate a better rate— and increase your frequency.** Cable may not be reaching as many people, which means the rates should be lower. Use this report to negotiate lower rates with the cable advertising rep and use the extra money to buy either more frequency or use it to make an impact in another medium. Maybe you can't reach everyone, but with more frequency, you can now reach them more often.

Source: Television Business Report

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