

Thinking Inside the Box

Set-Top Data Can Vastly Improve TV Advertising Once Thorny Issues Are Solved
By Todd Spangler and Mike Farrell -- Multichannel News, 6/15/2009

The way TV advertising continues to be bought and sold — based on the ratings from Nielsen Media Research — is a little bit bizarre... The promise: to provide the actual, second-by-second viewing habits of millions of television viewers, across the full cable lineup, mapped to demographic data to reveal with unprecedented precision who's tuning into a specific show or commercial.

Advertisers ultimately want fully addressable advertising, in which a TV spot is essentially matched up with the person viewing it. Eventually, set-top data could mature to the point where it challenges Nielsen as a credible alternative.

Perhaps the biggest effort to build a business of interactive advertising from the aggregation of the set-top-box data is cable's collaborative effort, Canoe Ventures. CEO David Verklin has said Canoe eventually expects to provide viewing metrics, in some shape or form, from some 57 million set-tops representing 32 million U.S. cable households.

Until cable can provide a consolidated national view of its universe, research firms are already retailing other sources of set-top data. TNS Media, for example, launched the DirectView Service earlier this year, based on tuning data from 100,000 DirecTV subscribers including time-shifted viewing across more than 350 channels. "Whether you're doing addressable advertising or not, you still need that granular information... if anything, to figure out, which 50% of the advertising is it that I'm wasting?" said TNS CEO Dean DeBiase.