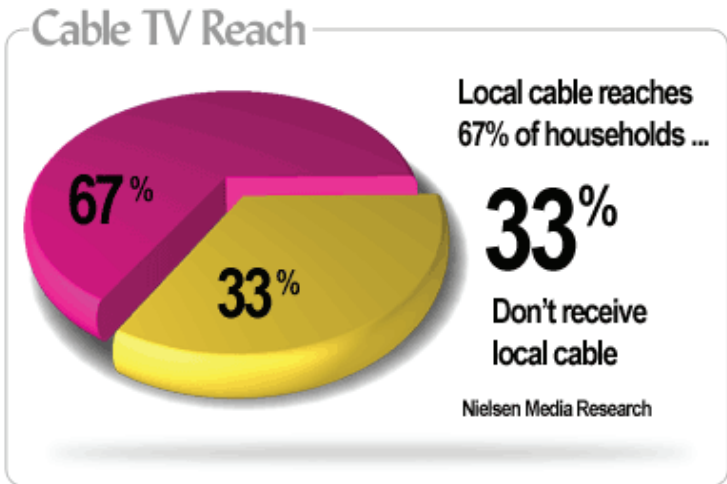


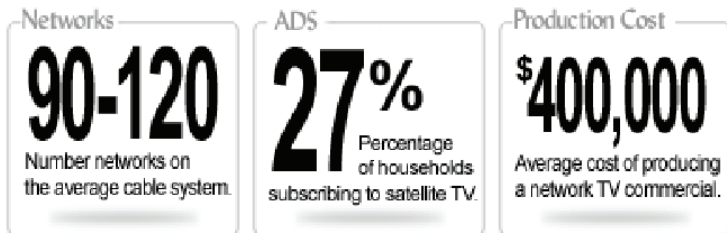


## media comparisons

# Cable/Satellite TV



Nielsen Media Research



J.D. Power and Associates, 2005

American Assoc. of Advertising Agency, 2005



### QUICK FACTS

Cable's share of TV set usage across all dayparts grew from 20% in the early 1990s to 44% by 2005. (*TV Dimensions, 2006*)

U.S. household penetration of cable remains around 67%-68%.

Cable network ad sales were up 11.4% in 2005, while local spot cable increased 5.0%. (*Universal McCann, 2006*)

Household penetration of DirecTV and DISH Network climbed to 20.8% in fourth quarter 2005. (*Cabletelevision Advertising Bureau, 2006*)

TNT and USA Network are the most-watched primetime cable networks, although the Discovery

Channel and ESPN have the most subscribers. (*Mediaweek, 2006*)

### ADVANTAGES

**TARGETED:** Cable networks are targeted to specific demographics and clusters of people. Affluent Audience: The average cable household income is 21% higher than the average noncable home. (*Cabletelevision Advertising Bureau, 2006*)

**PROGRAMMING DIVERSITY:** Cable channels are willing to take chances on the types of trendy programs that broadcast networks typically will not consider.

### DISADVANTAGES

**SMALL AUDIENCES:** You can't have large audiences for any given channel or program when there are dozens, even hundreds of channels from which to choose. Individual cable channels rarely pull in the big ratings.



## media comparisons

# Cable/Satellite TV

**PRODUCTION COSTS:** Production Costs: The American Association of Advertising Agencies (AAAA) said that in 2005 production costs for a network TV commercial averaged nearly \$400,000. Producing quality commercials significantly impact ad budgets.

**AD CLUTTER:** Commercial clutter is very high on some cable channels.

### PLUS RADIO

**EXCELLENT REACH:** Radio reaches 94% of all Americans 12 years and older every week. According to Arbitron/Edison in 2006, Cable TV reaches only 61% of Americans in an average week. And branding requires reach. Can you think of a single advertiser who has used cable to create a brand?

**QUALITY PRODUCTION:** Quality Radio production costs a fraction of what quality TV production costs. Advertisers buying inexpensive Cable TV commercials are unlikely to invest hundreds of thousands of dollars in TV commercial production. Inexpensive commercials create a poor image for the advertiser. This is especially true when the spots airs near a quality network commercial.

**REDUCED CLUTTER:** Advertisers have expressed concern over the number of commercials per hour on Radio, yet Cable TV airs on average twice as many commercials per hour. Commercials are more powerful when limited as they are on the Radio.

Source: Radio Advertising Bureau [www.rab.com](http://www.rab.com)