

THE BUSINESS OF TELEVISION



**BROADCASTING & CABLE**

### Out-of-Home TV: Now It's Everywhere

From the doctor's office to Wal-Mart, 'strategic content in strategic places'

By Marisa Guthrie -- Broadcasting & Cable, 1/21/2008

With some high-tech help, the nation's networks are taking TV out of the house. The proliferation of platforms—trains, malls, taxis and gas stations—prompted NBC to hold its first-ever digital out-of-home upfront presentation for advertisers last week in New York.

It used the opportunity to announce key partnerships for IdeaCast, which has TV screens in 900 health clubs, and The University Network, which is on 181 college campuses and has been dubbed NBC On Campus. Viewers of IdeaCast on the so-called NBC@The Gym will receive CNBC and MSNBC content.

Likewise, CBS, which in October paid \$71 million for SignStory, now called CBS Outernet, operates screens in 1,400 grocery stores including Shaw's, Albertsons and Pathmark. Last week, CBS announced two new partnerships with Ripple and Automotive Broadcasting Network. Ripple has 1,500 screens in specialty retail locations including Borders, Coffee Bean & Tea Leaf and Jack in the Box. ABN operates screens in car dealerships.

Nationwide, more than 130,000 locations now have over 500,000 digital screens. Out-of-home digital advertising is among the fastest growing segment of the marketing pie, accounting for \$1.5 billion in ad spending now and growing steadily—25% a year, according to Stephen Diorio, a partner in the research firm

Profitable Channels: "This is a segment that is verging on legitimacy."

Broadcasters say these digital networks offer advertisers access to consumers at the point of purchase, measurability of advertising impact, and the ability to target niche markets.

"There are a lot of things you can do on these platforms that you can't do on television or even the Internet," says Mark French, senior VP of NBC Everywhere. "It's really about strategic content in strategic places and finding the right brands that want to be associated with that content in those environments."

Beyond ad revenue, broadcasters have another venue to expose viewers to their content and talent.

"We very much try to personalize it to the retailer," says Virginia Cargill, president of CBS Outernet.

A branded segment might feature The Early Show personalities, such as "Julie Chen talking about what she did over Memorial Day and the kind of picnic she created or Dave Price talking about his favorite hot dog. So we're using a CBS personality but they're not talking about CBS," says Cargill. "They're talking about the things the shopper is interested in."

ESPN has more than 4.3 million out-of-home viewers a day and CNN is second, clocking 3.85 million, according to a Total TV Audience Monitor (T-TAM) study. "With the changing consumption of media, this 'reach' mechanism is quickly becoming a currency," says Greg D'Alba, COO of CNN sales. "Advertisers are content planning, they're not just media planning anymore because they have to plan for all of their content that's on all these platforms in all of these places to very accurately sell product in hundreds of environments, and that has changed overnight."