

Cross-Platform Measurement Helps Local Stations Add Value to Broadcast and Digital



Ecosystem

The local game is changing. Daily deal sites like Groupon and LivingSocial.com in the U.S. have altered the way businesses reach out to consumers. For years, traditional local media – TV, radio and newspapers – has struggled with how to use their websites to complement their offerings and provide more to local businesses. Local TV stations, for example, have typically put video of reports or entire newscasts on their sites. As gateways to local news and events, websites for TV stations typically attract large numbers of visitors, yet it has been difficult to determine the effects and value of those visitors. The challenge has been leveraging “digital touchpoints,” quantifying their benefits and creating new models to attract more from local and national businesses who advertise and encourage those who otherwise might not advertise online at all.

As new technology, such as location-based couponing, measurement capabilities, and integrated TV and Internet audience measurement, brings precision to local advertising, marketers are gaining the ability to better package local ad inventory to reach customers and amplify local TV audience value, combining TV and Online. In turn, the precision enables greater efficiency, meaning the opportunity to attract advertisers to spend more, locally. In other words, there's a fortune to be made in your own backyard.

Background

Working with this valuable information, Fisher Communications Inc., an innovative local media company with TV, radio, Internet and mobile operations, found themselves positioned to provide their advertiser clients one-stop TV and digital local exposure. Fisher needed to better understand their own online and offline audience in order to better leverage content and advertising inventory through a group metric that could reflect their diverse portfolio and compete with other hyper-local offerings. They wanted to focus on evening and late news because that is where the dominant share of the revenue lay.

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Case Study

Nielsen worked closely with Fisher to examine how Nielsen Cross-Platform Homes panel, which delivers single-source multi-screen measurement, could provide valuable insight on Fisher's audiences—broadcast only, online only and both—in two of Fisher's major operating markets: Seattle, Wash. and Portland, Oreg. Measuring computer and TV usage in 25 major markets as well as nationally, Nielsen's single-source panel provides insight about TV viewing, usage of the Internet while watching TV, as well as overall surfing and streaming activity, and acts as an ideal platform for measuring how TV stations' sites are used and by whom.

Dates of measurement: For both Seattle and Portland, the late news time period was M-F 11:00PM-11:30PM (Live + Same Day), and the entire May 2011 sweep cycle was measured, April 28, 2011-May 25, 2011.

Both Seattle and Portland offer unique opportunities for cross-platform measurement and advertisements geared towards local news viewers.

Local News Consumers in Seattle-Tacoma DMA

In **Seattle-Tacoma DMA**, during the late news time period (M-F 11:00PM-11:30PM), 35 percent of all HH rating points to Broadcast stations are generated by homes with incomes greater than \$100K.

In the Seattle-Tacoma DMA, 83 percent of local news viewers live in a household that owns a computer and 79 percent have access to the Internet. Seattle-Tacoma local news viewers are:

- 29 percent more likely to have used the Internet in the past 30 days to look up local news
- 24 percent more likely to look up local/community events
- 16 percent more likely to watch or download TV programs than the national average
- Using their mobile phones to look up news/weather/traffic (9%) and sports scores/updates (5%)

Source: Nielsen Local Custom Toolbox, Scarborough USA+ Release 2, 2010; Insights into Action: Local news April/May 2011 Seattle

Local News Consumers in Portland

In **Portland**, during the late news time period (M-F 11:00PM-11:30PM), 44 percent of all HH rating points to broadcast stations are generated by homes with incomes, greater than \$100K.

Consumers in Portland have similar cross-platform access to content. Of local news viewers:

- 83 percent live in a HH that owns a computer and 79 percent have access to the Internet
- In one month, Portland local news viewers used the Internet to access local news (32%), weather (45%) and sports scores/updates (20%)
- One out of ten used their mobile phone to look up news/weather/traffic, and 5 percent looked up sports scores/updates

Source: Nielsen Local Custom Toolbox, Scarborough USA+ Release 2, 2010; Insights into Action: Local news April/May 2011 Portland

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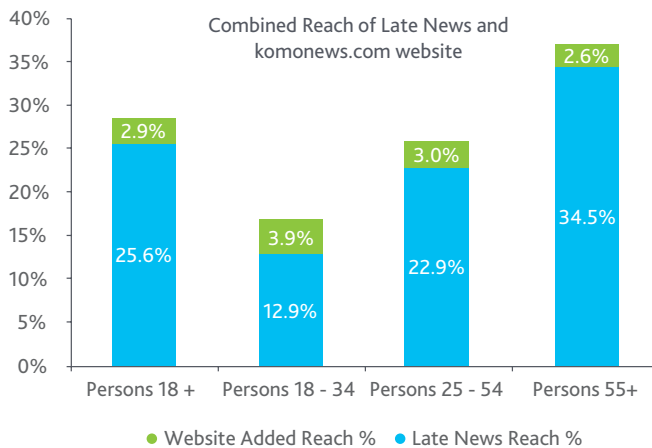
Findings/Analysis

Nielsen uncovered that a local TV station's online audience offers expanded, unduplicated reach. There are also demographic differences between online and broadcast audiences and local news websites have a dramatic impact on station ratings.

Seattle - Late News

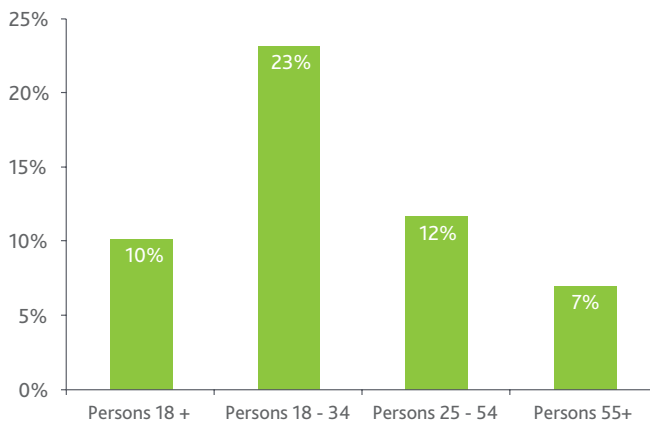
Station Insights – What is the incremental reach of the station website for a specific program? Late News

KOMO - TV's Website Delivers Incremental Reach - Seattle, WA



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD M-F 11-1130pm News Programming and Websites M-SU 6am-6am

KOMO - TV: % Total Reach Contributed By komonews.com – Seattle-Tacoma, WA



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD M-F 11-1130pm News Programming and Websites M-SU 6am-6am

In local markets, both Seattle-Tacoma and Portland, the Fisher station websites contributed significant added reach to both early and late news broadcasts

- Among Persons 18+, komonews.com added 2.9% reach to the 25.6% reach achieved by KOMO-TV's M-F 11:00PM-11:30PM newscast during the May 2011 cycle
- The reach added by the website contributed a full 10% of the combined reach of the newscast and the website for Persons 18+
- Among Persons 18-34, the website contribution was even more significant; komonews.com added 3.9% reach to the 12.9% reach achieved by the late news
- The website contributed 23% of the combined newscast and website reach for Persons 18-34

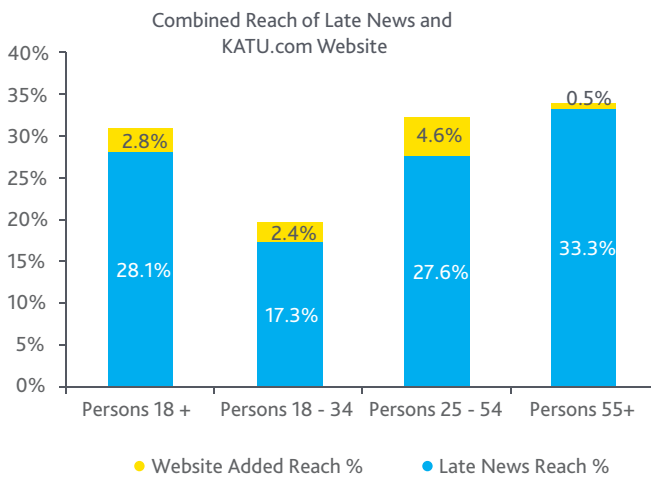
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Portland - Late News

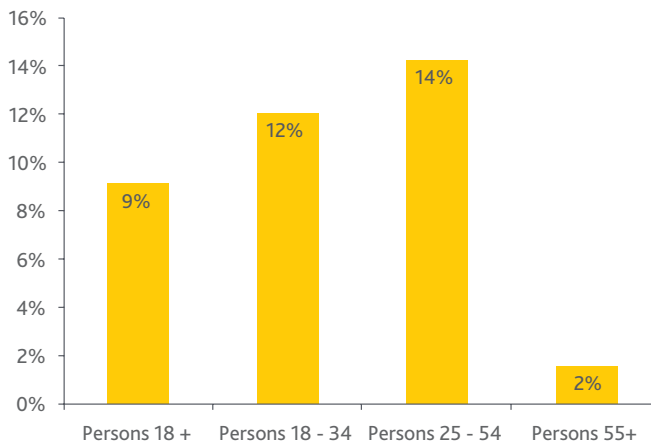
Station Insights – What is the incremental reach of the station website for a specific program? Late News

KATU-TV's Website Delivers Incremental Reach - Portland, OR



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD M-F 11-1130pm News Programming and Websites M-SU 6am-6am

KATU - TV: % Total Reach Contributed By KATU.com – Portland, OR



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD M-F 11-1130pm News Programming and Websites M-SU 6am-6am

In local markets, both Seattle-Tacoma and Portland, the Fisher station websites contributed significant added reach to both early and late news broadcasts

- For KATU-TV's late news, the greatest relative contribution of reach by the website was among Persons 25-54
- KATU.com added 4.6% reach to the 27.6% reach achieved by the M-F 11:00PM-11:30PM newscast among Persons 25-54
- The website contributed 14% of the combined newscast and website reach for Persons 25-54

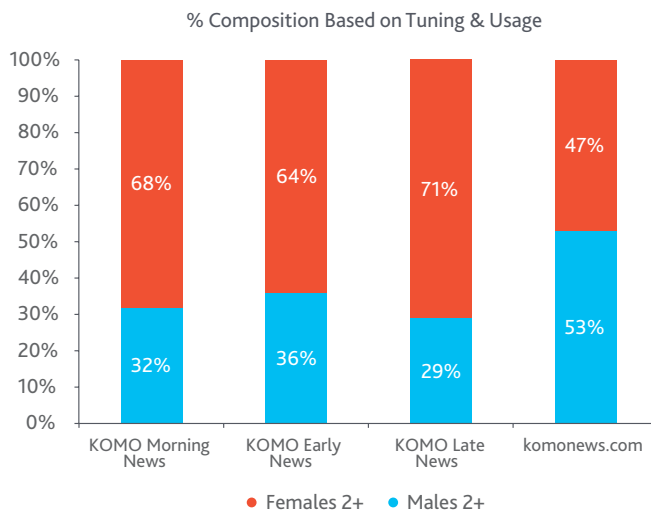
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Case Study

Seattle and Portland

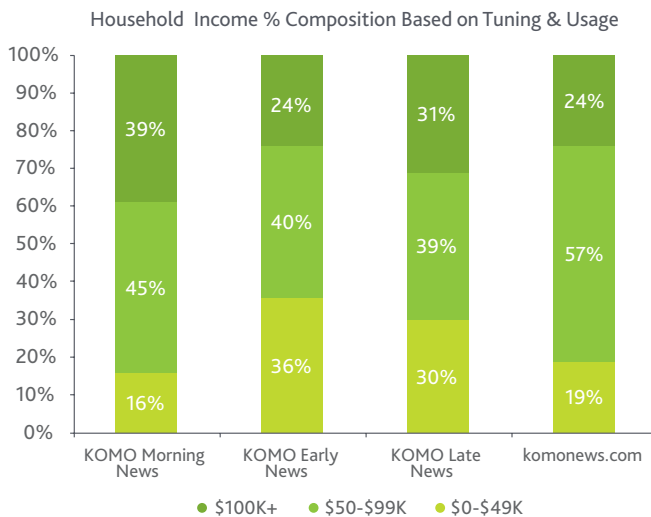
Station Insights – What are the characteristics of station website users vs. TV audience?

KOMO – TV - Demographic Composition – Seattle-Tacoma, WA



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD, M-F 6-7A, M-F 6-7P, M-Su 11-11:30P News Programming and Station Websites M-SU 6am-6am

KOMO - TV Household Income Composition – Seattle-Tacoma, WA



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD, M-F 6-7A, M-F 6-7P, M-Su 11-11:30P News Programming and Station Websites M-SU 6am-6am

The study showed differences in both markets between the website users and newscast viewers in terms of demographic composition

- In comparing three KOMO newscasts (early morning news, early evening news and late news) to komonews.com, Nielsen uncovered that while the skew of tuning to the newscasts favored females, the website usage was largely male. With the exception of early morning news, the same pattern held true for KATU and katu.com
- In terms of household income, komonews.com had a higher percentage of mid-range (\$50,000-\$99,000) usage than the newscasts had tuning in that bucket. The same was true for katu.com compared to the three newscasts on KATU

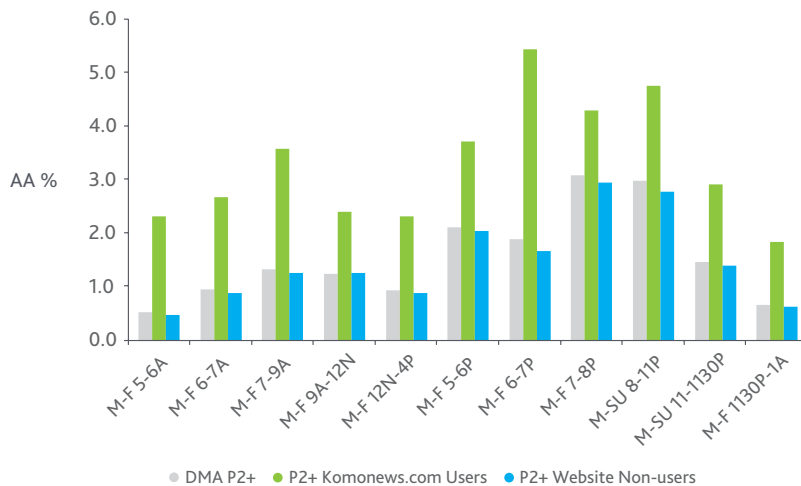
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Seattle and Portland

When do KOMO Website users view during the day?

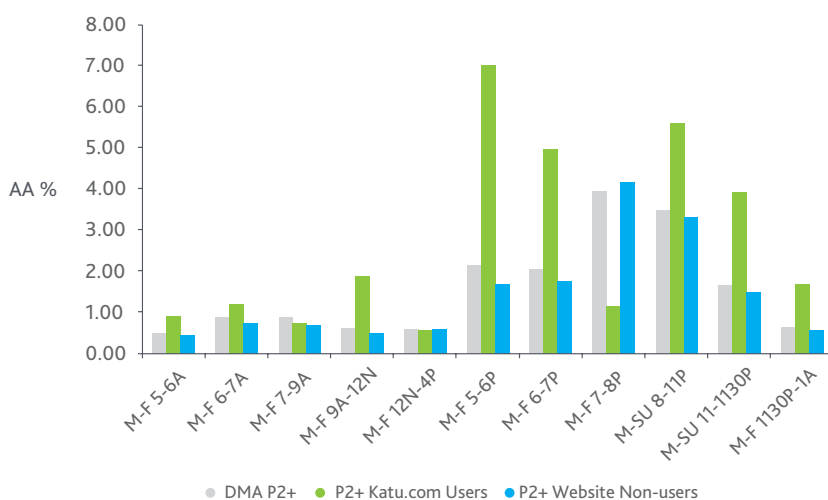
KOMO-TV Seattle



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD. Station Website M-SU 6am-6am

When do KATU Website users view during the day?

KATU-TV Portland



Source: NPOWER Cross Platform Homes – April 28-May 25, 2011
Live+SD. Station Website M-SU 6am-6am

Usage of the stations' websites showed a dramatic impact on station ratings during all dayparts, particularly for the news

- Ratings for three segments were created: regular DMA Persons 2+, Persons 2+ who had any usage of the station website during the May 2011 cycle, and Persons 2+ who had no usage of the station website during the May 2011 cycle
- In most dayparts studied, ratings among users of the two stations' websites were significantly higher than among non-users and among DMA Persons 2+

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Conclusion

With content, on-air talent, community relationships and, most importantly, established sales teams on the ground, local TV stations have never been in a better position to value and sell advertising space on their sites. Broadcast plus online represents an incredibly powerful combination for the future of local advertising.

For local markets, TV station websites may contribute significant added reach to both early and late news broadcast audiences. From an advertiser perspective, value could be added by running campaigns both online and offline in order to maximize reach. Notable differences may exist between the website users and newscast viewers in terms of demographic composition.

Campaigns with specific messages for specific audiences can be demographically targeted and make use of the appropriate vehicle in order to reach the intended audience. Usage of a stations' website may also show a notable impact on station ratings during all news-related dayparts. As a result, increased on-air programming efforts to encourage use of the stations website can be expected. Advertisers can take advantage of the online audience in order to build a multi-layered campaign, starting with local news broadcast spots and reinforcing or building upon that messaging via advertising on the station's website.

Local media markets should quantify the discrete and incremental reach of their digital assets. This insight will help underscore the value of local cross-platform advertising. By understanding the value of the audience and across platforms, local stations will be able to measure the audience their website brings in order to build total cross-platform advertising packages, which show off the power of their overall brand and the value of the breadth of their inventory.

“Our multi-platform approach speaks to our desire to better serve our markets, audiences, and advertisers. Fisher's TV and web properties, which include news, lifestyle, entertainment, and more than 120 local community sites, allow us multiple options to provide solutions for our clients. We strive to coordinate our content and advertising efforts to maximize the potential and value of all of our properties individually and as a whole.”

– Justin Lewis, Director of Research for Fisher Communications

To learn more about how Nielsen can help you understand the interaction between your viewers and online users, contact sales.us@nielsen.com or visit www.nielsen.com