

Culled from the headlines of the media and technology trade press by Katz's Strategy, Analytics, and Research Team, **Content Matters** provides a periodic snapshot of news and issues that affect the business of creating, producing, and distributing content across TV, radio, and digital media.

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THINGS TO KNOW

1. TV: NBC Looks to \$1 Billion in Ad Sales with Super Bowl and Winter Olympics

NBC is looking forward to a big Q1 2018 with two marquee events. Why? Because despite ratings declines across the television industry, these broadcasts still represent important moments in our culture and collective consciousness.

2. TV: ABC Seeks \$2.6 million for 2018 Oscar Ads

All eyes are on Hollywood these days. This year's Oscar telecast will likely generate tremendous interest among audiences and create value for participating advertisers.

3. Audio: Tips for Adapting Radio Content for Podcasts

Seth Resler at Jacobs Media Strategies offers five valuable tips for broadcasters to consider as they repurpose on-air content for podcast distribution. It's not enough to simply digitize and post.

4. Audio: Radio Scores in Kantar "News Trust" Study

At a time when "real v. fake news" has become hot for debate, Kantar's most recent report presents important data on how consumers trust different media, suggesting we still rely on trusted and credible sources for news and information.

5. Digital: Data Suggests Facebook's Longer Video Formats Increase Engagement

Many forget we're still within the first decade of social media platforms proving to be economically viable, some more so than others. So, it's not surprising that publishers are still trying to determine the best ways to effectively engage users through video content. New data from Wochit suggests Facebook may finally be onto something with its longer formats.

1. TV: NBC Expects More than \$1 Billion in Ad Sales from Super Bowl, Winter Olympics, From *Variety*, 30 October 2017

“NBCUniversal projected it would take in more than \$1 billion in ad revenue from its broadcasts of Super Bowl LII and the Winter Olympics from PyeongChang, South Korea, both of which are set to be telecast next February, a remarkable sign of confidence in advertiser interest in both sports events.

The Comcast-owned company currently expects to snare around \$350 million in ad revenue from the Super Bowl, said Dan Lovinger, executive vice president of ad sales for NBC Sports Group, and anticipates getting a revenue increase in the ‘low double digits’ percentage range above the approximately \$800 million it secured from its coverage of the Sochi Winter Olympics in 2014.

“‘Our marketplace is healthy,’ said Lovinger, speaking with reporters Monday. He characterized sales for both events as ‘brisk,’ and suggested NBC had only a ‘handful’ of 30-second spots left in its Super Bowl inventory. ‘If an advertiser is interested in a premium position within the game, they really need to be in discussions with us,’ he said. He said executives ‘are asking and getting north of \$5 million dollars’ for 30-second spots in the game, and declined to discuss whether some individual sponsors may be paying less.

“Lovinger credited the company’s ability to start talks with potential advertisers earlier than usual, owing to NBCUniversal’s broad portfolio of ad inventory across broadcast, cable and digital properties. The company has been passing along research about the ability of a Super Bowl ad to generate social-media chatter and YouTube views, among other consumer reaction, he said. Lovinger said NBCU is seeing interest in both events from marketers of technology and automobiles, as well as retailers. Movie studios, he said, are particularly interested in the Super Bowl.

“The company may consider selling so-called ‘six second ads’ in its Winter Olympics broadcasts, he said. More commonly known in the industry as ‘billboards,’ the short on-screen shout-outs are typically given to advertisers spending a higher amount of money with a network. ‘There are some natural transition points from a programming perspective,’ he said, like when a broadcast switches from one event to the next, or when a show shifts from an anchor to a venue where a sport is being played.”

Content in Context

As we monitor and wring our hands over the ratings we see for regular programming across network television, it’s no wonder advertisers are increasingly looking to marquee events such as the Super Bowl and Winter Olympics — and, as noted in the next article, the Oscars — to reach large audiences around a single night or over a couple of weeks. Despite cord-cutting and changes in viewing behaviors, whether it’s delayed on a DVR or streamed online or mobile device, big events matter because they represent shared experiences that serve as the cornerstones of our culture. People want to be part of the conversation and purposefully tune-in to be “in the know.” As such, advertising has become an important part of the experience, creating new opportunities to stand out, generate social media buzz (that’s often covered in news and entertainment outlets, and build brand awareness.

2. TV: ABC Seeks as Much as \$2.6 Million for 2018 Oscar Ads, From *Variety*, 30 October 2017

"Viewership for TV's annual Oscars broadcast is at a relative low, but that isn't keeping ABC from seeking some of the highest costs possible to advertise in next year's broadcast. The Disney-owned network, which last year renewed a deal to broadcast the glitzy event through 2028, is seeking as much as \$2.6 million for a 30-second commercial in the 2018 awards-fest, according to people familiar with the matter. ABC is said to be nearing sell-out of commercial inventory for next year's broadcast, and is working on a few deals that would weave some sponsors in and around the show in a more significant way.

"In some cases, ABC is seeking between \$2.2 million and \$2.5 million, this person said, though a media buyer suggested the network may have slightly more inventory available and could be open to deals around the \$2 million mark. For this year's broadcast, ABC initially sought more than \$2.1 million for a 30-second ad. In recent years, 30-second Oscar ad spots have typically gone for between \$1.8 million and \$2.2 million.

"The high numbers may surprise casual observers, who could note ABC's 2017 Oscars telecast was one of the least-viewed sessions of the event since 2008 – 34.4 million, compared with 34.3 million in 2016. While the numbers mark a slight uptick year over year, Oscar ratings have more or less tumbled steadily since an Ellen DeGeneres-hosted telecast won 43.7 million viewers in 2014.

"Why does Madison Avenue pay more, not less? Simply put, big-ticket events on the order of the Oscars are increasingly difficult for advertisers to find. Even NBC's "Sunday Night Football," AMC's "The Walking Dead" and CBS' "The Big Bang Theory" can't lure a crowd on par with the one that tunes in the Oscars. Advertisers are paying not only for the size of the TV crowd, but for the power of the Oscars to spark social-media chatter, which they hope to use to enter consumers' of-the-moment conversations.

"Advertisers also know the Oscar playing field is a protected one. The Academy of Motion Pictures and Sciences limits the amount of advertising time allowed in the awards broadcast, meaning the commercials have a better chance of standing apart from the pack. In 2015, for example, the Oscars broadcast on ABC contained about 29 minutes and 45 seconds of ads, according to Kantar, compared with 27 minutes in 2014. In 2015, the Golden Globes contained about 36 minutes of advertising and the Grammys contained about 40 minutes and 30 seconds."

Content in Context

As the general health of the movie business, sexual harassment accusations, and diversity issues in Hollywood stimulate different conversations and coverage through this year's awards season, the Oscar telecast could take on greater importance and generate more curiosity among audiences. It will be important to monitor how things develop in the coming months. Regardless, ABC's strategy to create an "exclusive" platform for advertisers by not increasing clutter but by integrating sponsorship opportunities within the broadcast and across digital properties will be interesting to watch, providing a potentially new model for how broadcasters and advertisers can engage viewers across multiple screens in real time.

3. **AUDIO: Five Things to Remember When Repurposing Your Radio Station's Content as Podcasts**, From *Jacobs Media Strategies*, 29 September 2017

"For most commercial radio stations, the first step into the world of podcasting is to take their on-air content and publish it online as a podcast. Unfortunately, in most cases, it's not just simply a matter of uploading a straight recording of a five-hour show. Here are some things to consider as you repackage your radio shows as podcasts:

"1. Remove the Music — I'm not a lawyer, and you should always check with your own legal team, but I'm willing to bet that they'll tell you that you have to strip out all of the songs you played on the air before posting your show online. At this point, there's isn't a license that easily allows for music by big artists to be included in podcasts. From time to time a podcaster finds a way around this problem, but those are the exceptions, not the rule.

"2. Remove the Commercials — When it comes to podcasting, the expectations around commercials are different. Podcasts don't have six-minute blocks of produced 60-second spots. Instead, they usually incorporate host-read sponsorships at the beginning and in the middle of the podcast. If you don't adhere to the convention, you're likely to turn off podcast listeners. If you want to monetize your podcasts, insert separate host-read spots that meet listener expectations.

"3. Chunk it Up — Public radio is much farther ahead of commercial radio when it comes to podcasting in part because there's less work involved in adapting their content for on-demand consumption. By and large, you can take an episode of *Wait Wait...Don't Tell Me!* or *Fresh Air* and publish it as a podcast in its original state. Unfortunately, the same is not usually true of commercial radio. Even if you've got an all-talk morning show, simply publishing over four hours of audio on a daily basis isn't a sufficient strategy. Yes, you should publish your morning show (sans music and commercials) in its entirety for die-hard fans, but you should also take the station's interviews and benchmark features and edit them into specific podcasts.

"4. Record Intros and Outros for the Podcast Versions — I have heard some radio stations "chunk up" features as podcast series, but neglect to properly set up these features for a podcast format at the beginning of each episode. The first 60 seconds of a podcast episode are crucial, as listeners will abandon the episode if they don't understand what's going on. Record a specific introduction for the podcast that tells people what the show is about, who you are, and what happens in this episode. For example, "Hi, this is Johnny Fever from WKRP in Cincinnati. Every morning at 6:15, 7:15, and 8:15, we do our Morning Prank Call, where we call up a listener and, well...lie to them. Here are our prank calls from June 2nd, 2017..."

"...5. Get Credit — If you want Nielsen to count any time-shifted radio listening towards your station's PPM ratings, you'll need to do two things: (1) Use audio that's encoded for PPM, and (2) Publish it online quickly — Nielsen only counts audio that is listened to within 24 hours of the original broadcast."

Content in Context

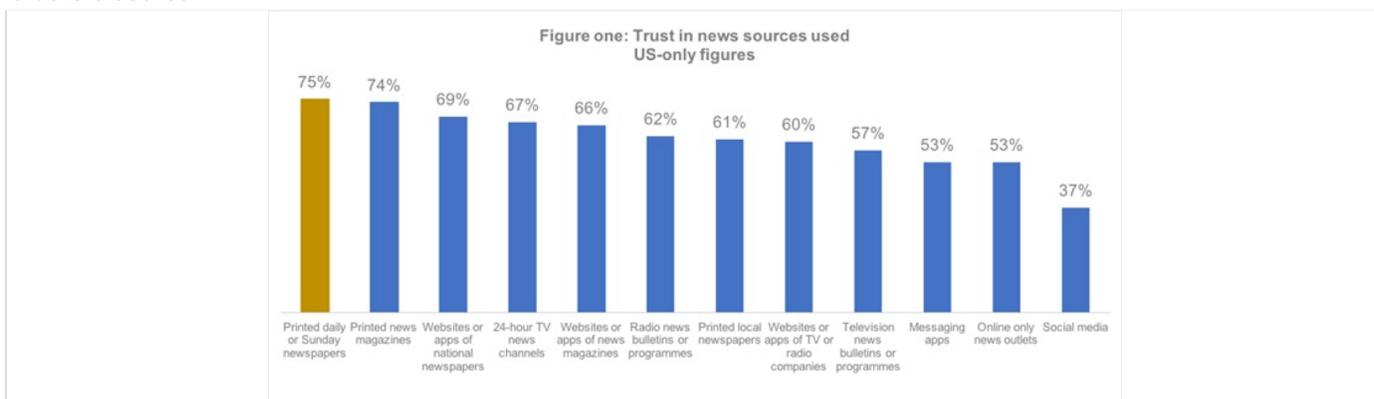
Jacobs offers straightforward advice on how to leverage content developed for one format to another. Radio stations struggle with the balance of simply pushing on-air content to podcasting because it's less expensive than reformatting it with new or added production elements. At the same time, adapting content for podcasts creates "new" assets with valuable native advertising and sponsorship opportunities to generate new revenue, so the investment in resources to support this new pipeline may ultimately pay off.

4. AUDIO: In Kantar Study, Radio Scores Well on “News Trust” Tally, From *Inside Radio*, 1 November 2017

“Despite assaults on its credibility as ‘fake news,’ traditional news outlets are proving resilient, and radio ranks as one of the most trusted news sources. According to a new report by Kantar, consumers cited traditional print, radio and TV news outlets as most credible, while they viewed social media and exclusively online news with more skepticism. Kantar’s new “Trust in News” study surveyed audiences in the U.S., the U.K, France and Brazil, and found consumers are ingesting more news, but are wary about the truthfulness of much of what they read.

“While nearly three-quarters of news audiences believe that accuracy in journalism is key to a healthy democracy, only 56% trust that what they read is true and not fake most of the time,’ the report noted.

“Among U.S. respondents, Kantar found that print newspapers emerged as the most reliable, with 75% of consumers saying they trust what they read in those outlets, while 74% trust print magazines, 67% of audiences trust 24-hour TV news channels and 62% trust radio news. In contrast, social media and online-only news did not fare as well, with online news trusted by about half of consumers, while just 37% of users found social media to be a credible source.”



Content in Context

It seems not a day passes when the role and credibility of traditional media and news organizations are drawn into discussions about our current political environment, so it’s encouraging to see Kantar’s data support our collective faith in the investments we make in radio’s news gathering and reporting activities; Kantar’s work echoes what Katz had learned when we asked the *Our Media* panel about trusted media sources in fall 2016. Networks have recently launched national campaigns to re-assert their value and trustworthiness (e.g., CNN’s “Facts First” campaign), creating models and messages that broadcasters and station groups can echo in local promotional activities. Local radio stations might also consider strategies where on-air news content can be edited, branded, and posted online for listeners to easily find, comment, and share, helping to increase the circulation of credible sources across social media.

5. **DIGITAL: New Data Shows Facebook's Emphasis on Longer Video Clips is Working**, From *Variety*, 31 October 2017

"Facebook's attempts to boost longer video clips on its platform are working, according to new data from social video publishing specialist Wochit. The data is based on an analysis of videos from over 200 publishers, including big names like CBS, NBC News and USA Today.

"Videos that are longer than 90 seconds already see close to twice as much engagement as shorter videos, according to Wochit's new Q3 Social Index Report. Consequently, publishers are increasingly releasing longer videos on Facebook, with videos lasting longer than 90 seconds growing by more than 24% quarter-over-quarter...

"...The result is that longer-form content has been growing continuously. In Q1 of 2017, only 11.2% of all videos posted by Wochit publishers lasted longer than 90 seconds. By Q2, that number had grown to 15.7%, only to further grow to 19.5% in Q3.

And those longer videos are also resonating with their audience. On average, videos lasting longer than 90 seconds are getting 78.8% more shares and 74.6% more likes than their shorter counterparts, according to Wochit.

Other highlights of the report:

- Publishers are creating more and more video for Facebook. The average quarter-over-quarter output increase among the monitored publishers was 48.5% in Q3.
- Square videos are shared 7 times as often as horizontal videos, but around 60% of all videos are still horizontal.
- Audiences in Latin America engage with videos a lot more than their counterparts around the world, watching twice as many videos and sharing them close to 4 times as often on average.

Content in Context

It's important to note that while we may focus on "length," video "content" is still extremely important. People want to view something that is creative, meaningful, and/or relevant. As we shorten clips, the more challenging it becomes to engage viewers on any single one of these axes, let alone all three. So, it's not surprising that as content publishers experiment with different storytelling techniques in slightly longer formats for online and mobile consumption, they are beginning to strike a more effective balance to engage audiences. As we saw with Jacobs' tips for repurposing on-air radio content for podcasts, publishers need to adapt their art and science when creating video for new social media-based viewing.