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Cablevision's VOD Ads Move Beyond Big-Ticket Items

U.S. Navy, Unilever, Other Advertisers Test Platform

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NEW YORK (AdAge.com) -- Cable systems' video-on-demand offerings may have gotten a little lost in the past year, what with online video soaking up all the limelight. But the ad-supported business is making rapid strides, having spent the year moving beyond the automakers to lure in blue-chip and packaged-goods marketers.



Barry Frey, Cablevision's senior VP-advanced platforms

Cablevision, which launched its own VOD ad platform little more than a year ago, has signed close to two dozen blue-chip national advertisers since then, including the U.S. Navy, News Corp.'s cable channel FX, Unilever brands Bertolli pasta and Slim-Fast, Kraft and Sony's HDTV product Bravia.

Started with Porsche

Cablevision set up its ad-supported VOD offering under New York-based Barry Frey, senior VP-advanced platforms. Mr. Frey -- who ran ad sales at Turner Broadcasting, USA Networks and the National Basketball Association before joining the Dolan family cable outfit -- signed up Porsche as Cablevision's first VOD advertiser and soon after brought in General Motors Corp., Toyota and Ford Motor Co.

Now a number of packaged-goods marketers are getting wise to cable's two-way interactivity and its ability to generate sales leads, which is what made VOD attractive to auto manufacturers in the first place.

"Over the past six months, we cracked the code on a variety of different categories: Sony Bravia, Jet Blue, American Express, Bertolli," Mr. Frey said.

Cablevision, which could go private if shareholders agree to a buyout from the Dolan family, provides not only a chance to advertise around programming, but also to run individual advertiser-branded channels.

"I remember sitting around with Steve Farella [CEO of TargetCast TCM] and imagining that advertisers could have their own channels," Mr. Frey said.

Slim-Fast, Bertolli channels

Unilever's Slim-Fast has used its own channel with lay out nutritional information and show exercise videos. Bertolli's channel shows a variety of humorous videos that depict restaurants going out of business because so many people are eating Bertolli pasta at home. Consumers can also order free cook books, a process made easier through VOD because geographic information is pre-loaded into response forms displayed on the TV screen.

That kind of interactivity seems to be the golden opportunity other marketers are interested in. "Everybody is trying to figure out a dialogue with the consumer," Mr. Frey said.

So what kind of return on investment can an advertiser expect? Cablevision provides advertisers with information about which video content was rewound or fast-forwarded.

"We tell advertisers which videos worked and which were turned off. Its census data and polling allows people to further engage on screen," Mr. Frey said.

Direct feedback

Polling is particularly helpful for getting marketers direct feedback from consumers. The Navy selected the platform to help figure out what kind of potential recruits they were reaching, such as their citizen status and education levels. Others, such as Walt Disney World, were a bit more creative in the kinds of questions asked in their polls. "Disney asked some very engaging questions: 'Who in your family needs some pixie dust?'" Mr. Frey said.

With all the hype surrounding online video, why would an advertiser opt to do a VOD ad with all it entails? Mr. Frey said that focus-group research showed him that few households want to sit crowded around a PC screen to research a new car. The average Cablevision home has access to around 250 car websites. "That share of voice is dissected," said Mr. Frey, adding that consumers prefer to look at a new car on an HDTV set on the sofa in the living room with their families.

