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Cablevision Pushes Interactive Ads

By Ryan Lawler

Cablevision Systems Corp. (NYSE: CVC)'s ad sales team will be busy this week, showing off a suite of interactive ad units that it hopes will help to keep local ad sales buoyant despite the down economy.

Cablevision employees will be meeting with 85 media buyers over the next three days to demo interactive ad capabilities, including its newest ad unit, called "Optimum Select."

The Optimum Select interactive ad unit allows brands to market their products direct to consumers with a call to action overlay that opens up to enable free offers or discounts sent to a subscriber's home address.

It's still early days for Optimum Select, which launched earlier this month with a campaign from Gillette. That campaign began on October 5 and issued free samples of Gillette body wash to the first 30,000 subscribers that opted in. But the program finished early, as the free samples were all distributed in less than a week.

Cablevision has also signed up Benjamin Moore, New York-based retailer Century 21, and Unilever as early adopters of the Optimum Select ad unit.

In addition to Optimum Select, Cablevision will be showing off telescoping overlays that run against 30-second ads, addressable ads, and same-day video-on-demand (VoD) ad insertion.

Cablevision's telescoping overlays add an option for consumers to learn more about a product or company by clicking "select" on their remote control, which takes them to either a branded on-demand page; a "marketing showcase" with multiple advertisers; or to category-specific channels such as travel, technology, health, auto, and homes.

Meanwhile, Cablevision's addressable ad units allow advertisers to offer target creative units at different demographic and geographic groups during the same ad avail. Using publicly available information from Experian, Cablevision's addressable ads can serve up to five different ad units depending on the demographics that an advertiser wants to reach.

Finally, the company has solved the problem of ads that run against VoD offerings. Whereas ads previously had to be stitched in to the video, which resulted in some ads being run for months on end, Cablevision now allows advertisers to have ads dynamically inserted into its VoD channels.

Despite all the innovation that Cablevision is pouring into its interactive ad units, it's important to note that local ad sales are a small portion of the cable company's overall business. The company only has about two minutes per hour for local ad avails, and only a small portion of those will be interactive.

Cablevision already has the highest ad revenue per subscriber among U.S. MSOs, says David Kline, president of Rainbow Advertising Sales Corporation, Cablevision's ad sales unit.

While the lion's share of Cablevision's revenues come from cable subscriptions, the company expects the percentage of revenues that come from ads, as well as its share of the ad pie, to continue to grow due to interactive units.