



# Strategies for Reaching Today's Audience

An Analysis of Conventional Methods of Reaching a Target Audience versus the Sponsorship Program Model Developed by Los Angeles' Channel LA36

prepared by Edgar Veytia, Brand Strategist, Wizard of ®'s

With new technologies and changing consumer habits turning convention on end, reaching your target audience requires a fresh look at emerging models. Early adopters are reaping the first-to-market rewards, leaving the old school in the dust.

The question was raised, "How does a company reach out to all of the City of Los Angeles — to the 700,000 homes served by fourteen different cable systems across LA's dozens of neighborhoods?" This question begs additional questions about traditional avenues and how they fare given the new dynamic between media and consumers. What new approaches are possible? How do they compare? And, specifically what advantages exist for those wanting to reach the LA market via the Sponsorship Program developed by LA36?

For corporate citizens, those companies doing business in Los Angeles who support programs that benefit the community, who also want to maximize the return on their investment (contribution) how does the LA36 Sponsorship Program measure up against other options? Does a contribution to an LA36 Sponsorship Program provide a valuable service to the community while effectively informing the community of the Sponsor's commitment to the community?

What then, are the options for reaching today's audience — specifically, one of the most important demographic audiences in the world — the people living in these neighborhoods that make up the city of Los Angeles?

West LA	Venice	Playa del Rey	Bel-Air
Brentwood	Cheviot Hills	Westwood	Palms
Mar Vista	Downtown LA	Chinatown	Koreatown
Hollywood	Larchmont Village	Miracle Mile	Wilshire Center
Melrose District	Hancock Park	Studio City	Sherman Oaks
Chatsworth	Woodland Hills	Granada Hills	Sylmar
Lakeview Terrace	Sunland	Tujunga	Boyle Heights
Silver Lake	Echo Park	Highland Park	Glassell Park
Eagle Rock	Mount Washington	Lincoln Heights	El Sereno
Crenshaw	Western	Jefferson Park	Leimert Park
Baldwin Hills	Windsor Hills	Hyde Park	Watts
Port of Los Angeles	Wilmington	Harbor City	San Pedro

### Reach them through Print\*

1/4 page ad: The Los Angeles Daily News (Sunday circulation 200,167)	\$6,547
1/4 page ad: The Los Angeles Times (Sunday circulation 1,001,610)	\$23,250
1/4 page ad: Back Stage West (circulation 15,500)	\$615

\* Rates are based on published open inch rate for 1x ad buy.

### Reach them through Broadcast Television\*

KCBS Prime Time	\$12,000 - \$15,000
KCAL 5pm – 8pm	\$3,000
Cable TV	\$1,225

\* All rates are local for 30 second spot. Total TV households in LA County 3.2 million. Reach is typically beyond target market.

The rates above are rate-card rates for one-time buys. A typical ad campaign, however, consists of running an ad many times over the course of the campaign, which brings the ad prices to deeply discounted rates, usually, but with a significantly higher total cash outlay than the above one-time ad prices might suggest.

Also, there is no single option that delivers the kind of results that advertisers and sponsors hope to achieve so a strategy that uses a variety of media, repeated many times over a span of time is usually implemented.

Nevertheless, it is important to know the value of each form of outreach and the benefits associated with each – as important as knowing the limits of each. Ultimately, you need to know how much bang you can expect for the buck.

## The Challenges, The Opportunities

The facts are grimly clear. Conventional means of reaching an audience are increasingly more expensive and ironically, increasingly less effective as measured by sales, responses, brand awareness, et al.

**Online**, people literally don't see banner ads. Click-through rates are appallingly low.

**Newspaper ads** go largely unseen with readership dropping and more people reading selectively, never seeing your ad in the first place.

**Television** viewers increasingly have TiVo or other ad-skipping devices, plus many more channels to choose from, plus the nasty habit of multi-tasking just as your commercial comes on.

When asked what they do when a television commercial comes on:<sup>1</sup>

- 15% of the population regularly leave the room
- 30% mentally tune out
- 30% regularly watch, but not with full attention
- 31% regularly channel surf
- 32% regularly talk with others in the room or on the phone

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<sup>1</sup> The Simultaneous Media Usage Study (SIMM) Survey, published twice annually by BIGresearch, quantifies how the public consumes multiple media. The latest survey, conducted from March 25 to April 22, 2003, included data from 12,230 respondents.

If your objective is to connect and build a relationship with your customer base, if you are attempting to make a case for your product and why the viewer should buy it, if you are trying compete with all the above, and you are banking on a 30 second argument to cut through it all, chances are you are going to be disappointed. The solution that many advertisers turn to is to simply run the ad many more times on the basis that repeated showings improve the chances of capturing your audience's attention on one or another occasion and that frequent exposure has a positive cumulative effect. Both points seem to be true, but it can get expensive, very expensive.

## **Alternative and Supplemental Ways of Reaching Your Audience**

**Public Relations:** What PR Agencies will tell you is that advertising alone is a tough way to get people's attention and win their support. Public Relations, the art of creating novel events and activities that engage your prospective customers in a non-sales context, is another way to go. Good PR engages people, creating positive associations, goodwill and trust with your brand or product, which is considered by many to be the best way to open the door for advertising to effectively close the sale. For brand building, a good PR effort is increasingly essential and should be considered as part of an overall strategy and not simply either, or.

**Celebrity Endorsements:** This is one effective method but it is expensive or you have to work some angle to get this to happen. It can be an excellent windfall if it happens, but difficult to engineer without a major budget. And to get the most out of it, you have to spend liberally on an overarching media campaign to maximize the return on the sizeable outlay for your celebrity endorsement.

**Sponsored Programs:** The range of sponsored programs runs from Infomercials at one end of the spectrum, to reality shows somewhere in the middle, and PBS "Sponsored by..." type programs at the other end. Typically, the cost of underwriting a PBS "Sponsored by" program is prohibitive for all but the largest companies, often associated with well known Fortune 500 companies and well endowed non-profit trusts.

The benefits of sponsoring a PBS style program are considerable when it comes to building positive brand awareness, which increases brand equity. PBS Program Sponsors however, form an exclusive club as the cost of entry is generally too high for all but the largest companies to entertain.

Going back to the other end of the sponsored program spectrum, Infomercials are sponsored programs that not only inform, but entertain and attempt to sell directly, overtly and immediately. Interestingly, these programs succeed in large part because, better than anyone else, they understand the viewing habits of today's television viewers. Producers know that their programs are on a level playing field with every other channel now that the average viewer channel surfs every 19 minutes<sup>2</sup> and typical male viewers channel surf every 17 seconds!<sup>3</sup>

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<sup>2</sup> Channels Magazine fact, from Television News:Information or Info-tainment? by Michael Medved  
[www.libertyhaven.com](http://www.libertyhaven.com) See Reaching Your Audience?

<sup>3</sup> Report compiled by BBDO, the 4<sup>th</sup> largest advertising agency in the world, operating 77 countries with 270 offices, 17,200 employees. [www.bbdo.com](http://www.bbdo.com) See Reaching Your Audience?

With compelling content Infomercial marketers know that they can count on attracting and holding onto a significant audience over the course of their 30–60 minute sponsored program without having to invest in any advance promotion. Through repeated airings, they know that channel surfers pile up brand impressions and develop brand familiarity with enough of them stopping long enough to get hooked in by the content of the program and buy their products.

## **LA36 Sponsorship Program**

LA36, understanding the nature of today's audience's viewing habits, has adapted the strategies of successful sponsored program producers, from state-of-the-art production values to compelling program content to persistent on-air features that engage channel surfers and build brand awareness for the program providers and program sponsors.

In addition, LA36 has developed a unique program sponsorship strategy to maximize the benefits available for everyone involved. The LA36 Sponsorship Program offers program sponsors a very attractive package of benefits and it gives program providers a compelling reason to offer their finest productions for airing, all of which helps LA36 fulfill its mission of community education and service.

## **Conclusion**

In today's rapidly shifting world, those responsible for taking their company's message out to the public should challenge convention and take stock of opportunities emerging out of the chaos. Those who do their homework will be well rewarded just by looking around and following leads to people and organizations that have spotted the opportunities and have turned them into advantageous products and services.

LA36 is on point with a simple, high value package for companies wanting to reach one of the most important audiences in the world, specifically, the residents of the City of Los Angeles.

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prepared by Edgar Veytia, Brand Strategist

Wizard of ®'s

[www.wizardofbrands.com](http://www.wizardofbrands.com)

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## Strategies for Reaching Today's Audience

Industry Excerpts, Quotes, Facts

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### Advertising Without An Agency

Kathy Kobliski

"Frequency in television advertising is just as critical as it is in radio. The greatest commercial is worthless if no one sees it. Audiences are bombarded with 20 - 30 commercials for every 1 hour of programming. If you cannot afford to run a minimum of 10 - 12 spots per week on any one station, you would be well advised to use another form of advertising. This does not mean 10 - 12 commercials every week for 52 weeks. But you should run a minimum of 3 - 4 consecutive weeks when you do advertise."

[www.silentpartneradvertising.com](http://www.silentpartneradvertising.com)

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### Positive Outlook for Broadcasting

by Michael J. Paslawskyj

The viewing habits of today's audience are changing. People no longer want to sit through commercials or even an entire program. Channel surfing is very much in vogue as the audience attempts to avoid the now ubiquitous commercials which currently average more than 16 minutes per prime time viewing hour.

[www.bcfm.com](http://www.bcfm.com)

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### FAQs about Sponsored Programs

*What channel should my program air on?*

It varies from cable system to cable system, but channel position is much less a factor than you might think. In a universe of 200 channel cable systems, there's a lot of "channel surfing". According to BBDO, one of the largest ad agencies in the world, the average Male viewer changes the channel every 17 seconds!); if you're airing a 30 second spot you're not getting the audience you're paying for anyway (they're off surfing), if you're running a half-hour infomercial [sponsored program] this audience may just land on your show. You create your own audience with the content of your program; today's viewer is constantly looking for content that is of greater interest!

So whether your program airs on channel 2 or 200, leased access [sponsored program] is a valuable delivery system into thousands or millions of households. Bottom line; it pays off!

[www.leasedaccessinfo.com](http://www.leasedaccessinfo.com)

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## **Special Report: webRIOT breaks new Ground in Interactive TV**

"This market [Interactive TV] has dramatically increased in size in the US. Dataquest estimates that 44 million Americans were "surfing and watching" in 2000. Cyber Dialogue reports that the average online US adult (60 per cent of US adults) spends 44 per cent of their TV viewing time simultaneously online."

Contributed by Bill Niemeyer,  
Director of Strategic Development - Spiderdance

[www.advanced-television.com](http://www.advanced-television.com)

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## **Television News: Information or Info-tainment?**

by Michael Medved  
Film Critic, Radio Host

### **Shortened Attention Span**

Television news encourages a short attention span and a lack of perspective. Forget about nuclear weapons and germ warfare. The most destructive invention of the 20th century is the remote control. Channels Magazine notes that:

*...the average adult male (who wins the gender and age battle over possession of the remote in most American households) changes stations every 19 minutes.*

If this keeps up, "channel surfing" will soon be an Olympic sport. Imagine once again that you are a news director. You know that most guys are incapable of watching a half-hour program. How do you respond? By changing the entire nature of television in a desperate bid to keep viewers riveted. In the 1950s, a typical camera shot lasted 35-50 seconds. In the 1990s, it lasts five seconds. Commercials are even more frenetic, often switching images after only one second. Television sound bites have also been reduced to the point of absurdity. Forget about the interview subject who tells you what he thinks about the state of the economy or the defense budget in 25 words or less-you have to find someone who can do it in three words and they better be pretty titillating, or they won't make it onto the evening news.

[www.libertyhaven.com](http://www.libertyhaven.com)

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## **From the article, "Buying a Television"**

...one of the tips on what features to look for when buying a new TV:

"COMMERCIAL SKIP: This is a neat feature for those who just can't help channel surfing during commercial breaks. You can set a 'recall time,' ranging from about one to four minutes, and then zap around the channels to your heart's content and spouse's lament. At the preordained time, the TV automatically zaps itself back to the original channel. Couple this with the new "commercial skip" feature of some VCR's and you'll never see the Energizer Bunny again!"

[www.technofile.com](http://www.technofile.com)

## Horizon Media Glossary

"Grazing: A style of television viewing where the viewer switches channels often, either looking for alternative programming or watching multiple programs simultaneously. Also referred to as Channel Surfing."

[www.horizonmedia.com](http://www.horizonmedia.com)

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## Competitive Media Facts

Broadcast TV

"Channel Surfing: When a commercial comes on, many viewers go surfing. They zip through other channels to avoid the non-program content (i.e., ads, promos and PSAs), which has grown to more than 25% of each prime-time hour."

[www.rab.com](http://www.rab.com)

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## Time Spent Viewing: Another Way To Quantify the Value of Cable Viewing

by Dave Zornow

"They seek, they view, they stay."

[www.tnqresearch.com](http://www.tnqresearch.com)

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## The Television Addiction

"This plethora of channels has led to the modern phenomenon of 'channel surfing.' With so many channels to choose from, a person has a hard time deciding what to watch. No matter what one is viewing, the possibility of something better or more interesting on another channel is always there. Adding in the endless commercial interruptions every seven minutes only feeds this phenomenon."

[www.realtruthmag.org](http://www.realtruthmag.org)

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## LA36 & Ford Theatre Score Big Again

The Lula Washington Dance Theatre was one of the Ford performances broadcast by LA36 last year. Lula Washington, the founder and artistic director of the company, praised LA36 for what it has done for both her organization and the arts in Los Angeles. *"We've gotten the best publicity and promotion we could have dreamed of,"* she said. *"People stop our dancers on the street to say they saw a performance on TV. They ask about classes and other things we do. And then they come."*

Said Washington, *"LA36 is the best thing that's happened to the cultural arts in Los Angeles."*

"ArtsLink" Americans for the Arts Foundation newsletter

## 30-Minutes VS 30-Seconds

Note: This table was compiled by HawthorneDirect.com, an authoritative Direct Response Industry Newsletter. It compares the merits of a typical Infomercial type sponsored program versus a 30-second television ad spot. Except for a few points that apply only to Infomercials, the relationship between sponsored programs in general versus 30-second television ad spots is remarkably well represented.

<b>30-Minute Program</b>	<b>30 Second Spot</b>
The most effective selling medium.	The most efficient reach medium.
Attracts an interested audience from a huge channel surfing universe.	Intrudes on viewers' awareness watching program content. No accounting for viewer's interest.
Free-standing, sponsored programming.	Dependent upon host program for audience.
Positive impressions of sponsor's brand (associated with quality content) build as channel surfers swing through and viewing audience grows.	Rating points eroded due to approx. 39% of viewers zapping and channel surfing.
A direct correlation to direct and retail sales.	Weak measurable connection to sales.
Can be precisely accountable.	Little accountability.
A full half-hour theater.	A 30-second "blur."
Content rich product information through entertaining format.	Little content, mostly imagery based on non-reality-based presentation.
Due to duration in time, a maximum impact.	Due to brevity, a minimum impact.
From 15 to 25 minutes of average total audience viewing time.	15 to 30 seconds of average viewing time.
With 800# respondents, web links 50% average recall, up to 6 weeks later.	12 - 15% next day unaided recall.
Still a "new," outside-the-box tool with little corporate management expertise in its use.	An old, safe, traditional marketing tool - understood & accepted by traditional managers.
Unique and different.	Clutter crisis - a \$50-billion media market
Production budget range from \$250k to \$750k per full half hour. *	Production budget range between \$250k to \$1M+ for only 30-seconds.
Creative breakthrough opportunity unlimited.	Tough breakthrough potential - 200 million spots aired this year.

\* LA36 Sponsored Program production costs are not passed on to the Sponsor. The Sponsor only pays the cost of televising and airing the program.

### Media Summary

The changing dynamics of the advertising industry has resulted in many challenges for existing industry platforms and simultaneously presenting many opportunities for new media. Television and radio advertising are facing new challenges as a result of new technology and a shift in media usage by consumers:

1. Fragmentation – over 500 channels available on cable and satellite feeds
2. Competition – from console gaming, video-on-demand, Internet, DVDs...

3. Saturation – over 30 advertisements per hour
4. Elimination – channel surfing, TIVO technology and non-commercial channels

Despite television's dwindling audiences, corporate marketers are still faced with the challenge of delivering their messages to their key target audiences. TV advertising is still a \$50 billion industry and growing because of its unmatched breadth of distribution.

The result of these dynamics is that the ROI (Return-On-Investment) of television advertising (the key measurement of success) is quickly eroding and this has not gone unnoticed by the marketing community: "I have to step back and question the absurdity of paying double-digit increases for a dwindling (TV) audience" C.J. Fralieg, Executive Director of Advertising and Marketing at General Motors.\*

[www.ismnetworks.com](http://www.ismnetworks.com)

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### **TV Industry Looking for New Ways to Make Viewers Pay**

By Meg James, Tribune Newspapers: Los Angeles Times [excerpted & *emphasized*]

HOLLYWOOD -- "Once you've used one, you can't imagine life without TiVo," said Flint, 36, a project manager for a Marina del Rey company that builds Web sites. "It's life-altering."

Were Americans merely using DVRs to replay touchdowns, advertisers and television networks wouldn't be so worried. But studies have shown that *at least 70 percent of today's estimated 6.5 million DVRs are routinely used for what's known as commercial avoidance.*

With DVR use expected to grow tenfold over the next five years, the devices are threatening to bring the \$60 billion-a-year TV advertising business to its knees.

By 2010, half the U.S. households with TV sets are expected to have digital recorders, according to a recent Smith Barney report. The tipping point could come as early as 2007, the report said, when the television industry may lose as much as \$7.6 billion -- or about 10 percent of its annual ad revenue -- as advertisers seek other ways of reaching consumers.

*As the networks continue to grapple with the coming DVR age, advertisers, too, are taking action to protect their interests.*

"We're starting to think with a greater sense of urgency," said Peter Tortorici, president of Mindshare Entertainment, a newly formed division of Mindshare, a leading advertising agency.

His charge is to respond to DVRs' ad-zapping capability by developing scripted shows for the major networks. *The idea is eventually to embed references to Mindshare clients, such as American Express Co., within the shows' story lines.*

[www.chicagotribune.com](http://www.chicagotribune.com)

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