Advanced TV Goes Prime Time

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Think about how you buy [TV advertising](#) today. If you're like most media buyers, things like spreadsheets, Nielsen, insertion orders, emails, and phone calls likely come to mind. Now consider the following.

Julia is a TV media buyer promoting the latest eco-friendly laundry detergent. Her advertising target is women ages 18 to 49 who have one or more children and use natural cleaning products. In order to reach them, she considers placing an ad on a broadcast network's primetime dating show. But then she remembers that her last ad only reached about half of her target because the audience was so broad.

Determined to reach a more focused audience, she enters the criteria into her advanced TV planning software program: moms who care about the environment and have purchased an eco-friendly product in the last six months. Then she takes a sip of her coffee while the program crunches the numbers.

In just a few seconds, the system tells her that a morning daypart on a cable network not only costs less, but offers the data to ensure that she reaches women who are environmentally conscious. Better targeting, less waste, she thinks. Confident that she's made the right decision, Julia makes the buy and moves on to check the performance of her other ad placements.

Like Julia, media buyers often struggle with whether or not their buys are hitting their intended targets, especially when they're limited to targeting by age and gender. After all, an 18-year-old woman in her first year of college has very different wants and needs than a 49-year-old software executive who's looking for their next promotion. While in the same demographic pool, they're in different stages of their lives and shouldn't be considered one target, yet both groups expect advertising to be relevant to them, whether they're watching the NFL playoffs or the latest season of NCIS. That's why traditional age and gender demographics alone won't cut it when it comes to making targeted TV advertising buys.

What's more, yesterday's outdated planning and buying processes no longer apply in today's fast-paced market. Relying on phone calls and spreadsheets doesn't make sense in a world where consumers quickly change their viewing preferences — one minute opting for the thrill of live programming, and the next craving the convenience of on-demand streaming.

It's time for a new approach. And it's called advanced TV — data-driven, automated TV planning and buying across all forms of TV content delivery.

TV ad buying is hard

"When buying TV advertising, most still see audiences only through the lazy-data lens of age and gender, rather than the purchase and behavioral data that measures all aspects of the consumer path to purchase."

Mike Rosen

Executive Vice President of Advanced Advertising and Platform Sales, NBCUniversal Media

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Here are some of the biggest obstacles facing TV media buyers today.

1. Viewers are scattered. In the early days of television, most viewers were limited to programming from the three major networks — ABC, NBC, and CBS. Today, viewers can access hundreds of channels and thousands of hours of programming with the click of a button. And while consumers welcome more choice, it's difficult to target audiences and find the most efficient media mix when viewers are increasingly spread across different screens and channels.
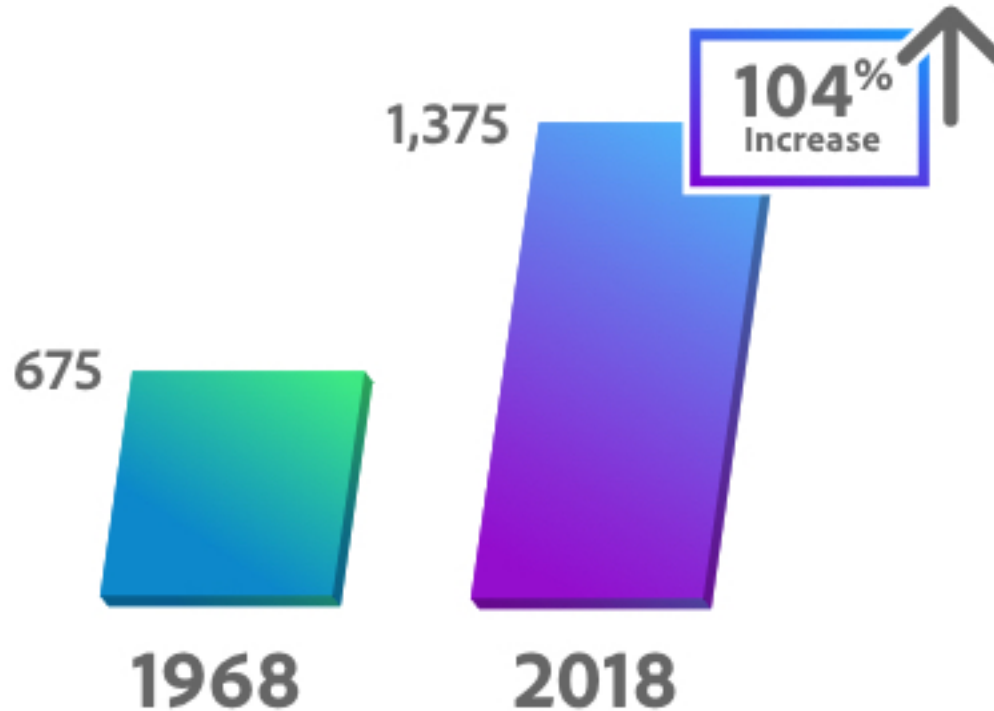
TV stations In 1968, there were 675 licensed commercial TV stations across the nation. Today, there are 1,375. Source: Federal Communications Commission.

2. Targeting is limited. The Economist calls data "the oil of the digital era." And while digital advertising gives ad buyers a wealth of data around who viewed an ad, how they interacted with it, and whether or not the ad influenced a purchase, traditional TV advertising has been limited to age and gender guarantees. This means that media buyers who rely on traditional TV demographics aren't making use of the kinds of data that can help them connect with audiences in the most highly-targeted way.

3. Reach is dwindling. With more choices than ever to access TV content, consumers are no longer constrained to flipping through TV channels to find something to watch. Many are "cutting the cord," making it difficult for advertisers to follow them across platforms. But this fragmentation also means more data, and more options to help you better understand your audience.

4. Data is disjointed. For consumers, TV is just TV, whether they're watching through traditional television or a streaming device like Apple TV. But for media buyers, keeping the television experience consistent across these channels takes careful planning and a steady focus on the data. Unless you can bring your ads, teams, and success measures together, your data will never give you the complete picture of your audience or ad performance, and cross-channel planning will always be out of reach.

Yet TV is still worth it

Many people report that TV is on its way out, making way for other digital forms of entertainment. But the reality is that TV is still very much a part of our lives. Here are a few things you might not know about today's TV landscape.

Americans still watch a lot of TV. Americans aged 15 and older spend most of their leisure time watching TV — more time than they do socializing, exercising, and playing video games or using computers, according to the Bureau of Labor Statistics.

Average length of TV sessions: The average length of a session with TV is 43% longer than with YouTube, and 240% higher than with Facebook, offering more potential for engagement. Source: Video Advertising Bureau.

There's more new TV content than ever. As the number of TV channels has increased, networks like NBC On-Demand, CBS On-Demand, AMC, and others have turned their focus to original programming. In fact, the amount of original TV content has skyrocketed by 168 percent since 2002, according to Variety.

Media buyers have more choices for TV spend. While the increase in TV delivery options makes for a fractured environment, the reality is that there are now more opportunities for you to reach your targeted audiences in more efficient ways. The challenge is getting a holistic view of the TV landscape so you can better direct your resources.

Advanced TV: The big three

Advanced TV covers three types of TV targeting: linear, connected, and addressable. Use a combination of the three in your media mix to help you better understand who your customers are and how you can reach them in the most efficient way.

1. Linear TV consists of scheduled broadcasts delivered over the air or through cable and satellite.

This is traditional TV as we know it. Times and channels are fixed, and if you're not home by 7pm, you miss the evening news. Although younger audiences, including millennials, are watching less linear TV, they still prefer the living room screen for live sporting events, original content, and niche programming, making linear TV a strong contender for advertisers who want to reach this audience.

2. Addressable TV allows you to deliver specific ads to specific households in real time using set-top-box data, which provides advertisers with information on household buying habits.

Using set-top-box data, media buyers can send different ads to different households, even though they're watching the same show. This means you can send an ad for the latest minivan to a soccer mom in one house, while delivering an ad for a home improvement store to the handyman next door.

3. Connected TV consists of any type of TV that can be connected to the Internet and can stream digital video at a viewer's convenience. Also known as streaming TV, connected TV is a subset of over-the-top (OTT), which includes apps and services that don't require subscriptions to traditional cable or pay-TV service.

According to Nielsen, more than a quarter of all TV homes have at least two devices that can stream to a TV screen. This includes multimedia devices like Apple TV, Amazon Fire TV, Google Chromecast, and Roku, as well as game consoles and Smart TVs. Since these connected audiences tend to be young, employed, and affluent, they're particularly appealing to advertisers, adds Nielsen.

Regardless of how TV is delivered, in the mind of the consumer, it's all just part of their TV experience.

"It's not about whether it's TV or video, broadcast vs cable — it's about the experience."

Josh Chasin
Chief Research Officer, comScore

For media buyers, it should be that simple, too — from your first upfront buy of the season to your last scatter buy. Instead of calling multiple vendors and spending hours deciding how to combine your inventory, it's time to let data and automation do the work for you. And when you do, you'll be able to make smarter decisions, reach your target audience without waste, and increase the impact of your TV advertising.

Adobe can help

With Adobe Advertising Cloud TV, you can use software to power the TV advertising experience through data and automation, just like our media buyer, Julia, did with her eco-friendly laundry ads. Here's how:

Choose your flavors. Plan and buy inventory across linear, addressable, and connected TV, using digital data to inform every placement for better reach. Plus, since Adobe doesn't own or mark up media, we don't push spend to preferred partners. So you have the freedom to choose which media fits best with your own goals.

For example, if you're buying ads to promote a luxury sports sedan and want to target affluent men shopping for cars, your media mix might include the following:

- Premium inventory like primetime sports from broadcasters like NBCU, ABC, and ESPN to target sports enthusiasts

- Addressable inventory from DISH to target households in the market for high-end cars

- Connected TV inventory through an app like A&E to reach the on-demand crowd

Go beyond gender and age. With advanced targeting, you can provide more relevant TV experiences and better audience efficiency. So instead of settling for the "women ages 18 to 49" audience for your linear TV buy promoting an online travel service, layer on the data for more precise targeting.

Add Nielsen data around income, employment, and number of children, followed by MRI segments around travel habits and attitudes. Finally, sprinkle in first-party data about loyalty rewards, bringing your ideal target into full focus: working mothers with two teenagers interested in domestic family travel, who also have at least 80,000 frequent flier loyalty miles.

How data helps you reach your TV targets

Bring together billions of data points from multiple sources to help you plan and reach just the right audience across every TV buy.

FIRST-PARTY DATA

Use CRM, e- commerce, web analytics, or other data you own to define highly-targeted audiences and plan your media placements — even for linear TV.

VIEWERSHIP PATTERNS

Find specific households based on content, categories, or shows watched. Reach those households using insights around which ads they've viewed and how often.

THIRD-PARTY DATA

Conduct custom audience-based planning and reporting using third-party data, which is data you purchase from other sources. This could include psychographics, consumer behavior, and brand affinity.

Reach unexposed or underexposed audiences. Evaluate all TV placements you've bought or plan on buying — including upfronts — and identify which audiences haven't yet seen your ad so you can reach them at the optimal frequency. This means more efficient, effective advertising spend. You can even see where competitors purchase their TV ads so you can be everywhere your customers are.

Keep your data secure. At Adobe, we take security and privacy very seriously. Adobe Advertising Cloud is ready to keep your data safe, following best practices when it comes to using this data to personalize ads and improve web performance. Visit our Privacy Center to learn more about how we collect and use your information.

Understand the impact. Unlike traditional TV buying where you have to wait weeks or months for performance reports, Adobe Advertising Cloud TV helps you assess progress against goals and metrics while your campaign is live and adjust your buy before your campaign ends.

- Track digital and broadcast ads to determine how advertising affects tune-in and viewership.

- Overlap a TV buy with any digital segment to understand the impact of TV on digital conversions, such as website visits or purchases.

- Working with your digital team, upload and incrementally reach new audiences on different screens, including TV, desktop, mobile, or social.

Getting more from your advertising ultimately means understanding how TV fits in with the other screens your customers use. And with data as your guide, you can be sure you're delivering the most impactful advertising to the most valuable audience, no matter which channel your customer chooses.

"Cross-platform targeting on mobile, desktop, Smart TVs, gaming devices, and so on is the next step for advanced TV advertisers. This will grow quickly as brands use measurement to gain insights on where their ads are working."
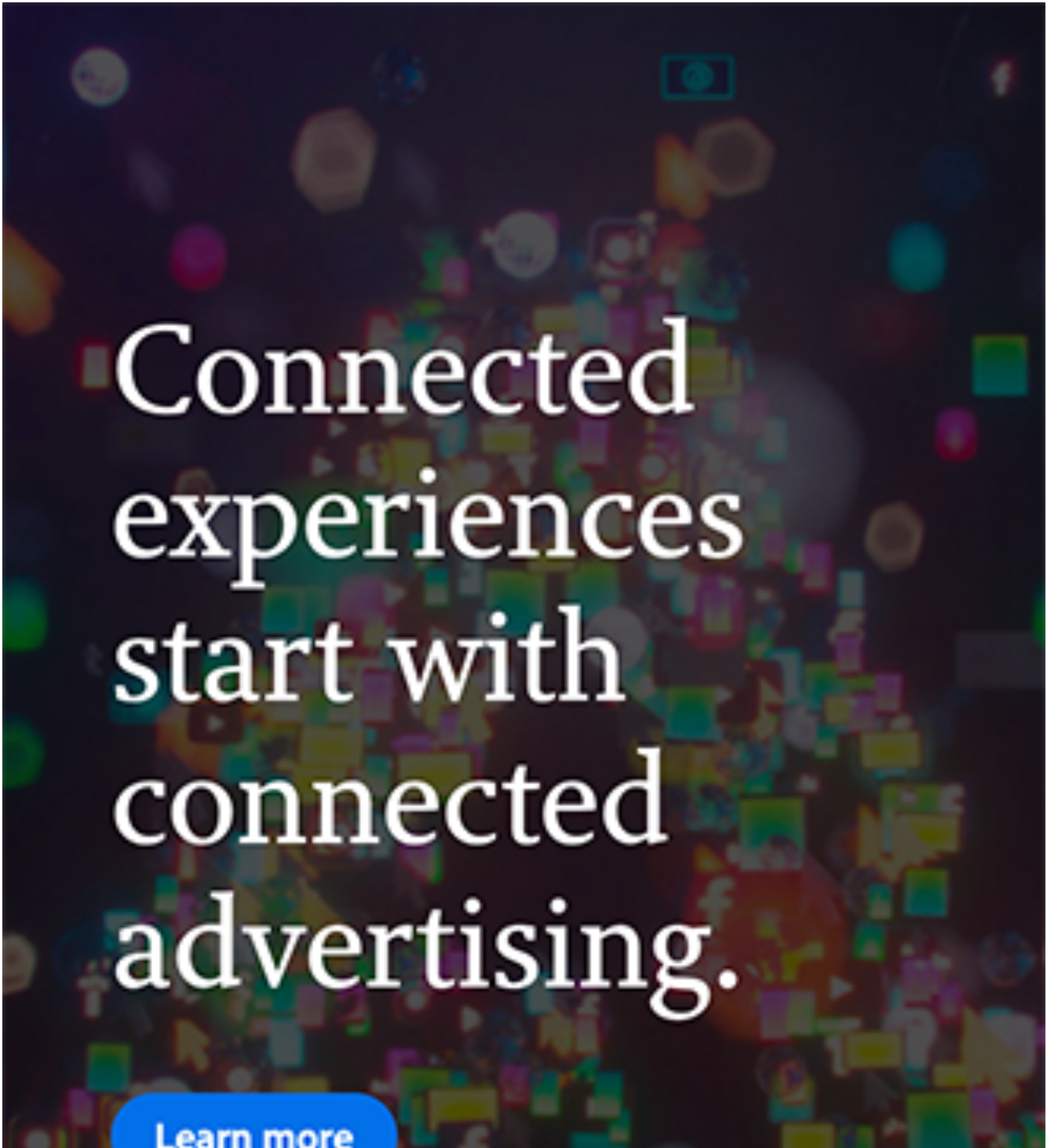
Adam Lowy
Director, Advanced TV & Digital, DISH & Sling TV

[Learn more](#) about how Adobe Advertising Cloud TV can help you use audience data to deliver personalized, relevant advertising across every TV experience.

Your next steps