

## ADVERTISERS BELIEVE THEIR TV COMMERCIALS ARE LESS EFFECTIVE

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NEW YORK (AP) – Nearly four in five marketers surveyed believe that television advertising is less effective than it was just two years ago, according to a study released Wednesday.

That's bad news for a nervous TV industry, which is worried about what the growth in digital video recorder usage and video on demand will mean for the economic underpinnings of the business.

The joint survey by the Association of National Advertisers and Forrester Research found marketers increasingly interested in exploring new ways of getting their messages across. Marketers from Johnson & Johnson, Pfizer, Verizon and Colgate were among the 133 people surveyed.

Almost 70% of advertisers say they believe that DVRs and video on demand will reduce or destroy the effectiveness of traditional 30-second commercials, the survey found.

"Television networks continue to publish research that traditional TV advertising is potent as ever, but national advertisers aren't buying it and are seeking alternatives to enhance their budgets and move them beyond the customary 30-second spot," said Josh Bernoff, Forrester vice president.

Close to 60% of the advertisers say they will spend less on conventional TV advertising when DVRs spread to 30 million homes, the survey said. Forrester estimates DVRs are now in about 10 million homes and will be in 30 million within three years.

Advertisers are looking at other approaches, such as product placement, program sponsorship, interactive ads within programs and online video ads.

While the concern over the impact of DVRs is clear, marketers say they are more worried about the clutter faced by television viewers — meaning an abundance of commercial messages onscreen.