The Power In 2004 Television…

One Television World

One Television World

The Opportunity:

2004 Advertisers Can Use Cable TV Interchangeably with Broadcast TV

The Business Upside:

More Television Advertising

The Business Upside In One Television World

More Television Advertising

More Weeks of Advertising

More Brands on TV

More Promotional Aircover

More Targets Covered

More TV Networks

Richer Mix of :30's/:15's

Fewer TV Concessions To The Advertiser's Competition

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Using Cable Interchangeably With Broadcast

1. Share: Cable Displacing Broadcast
2. Ratings: Current TV Season: First 34 Weeks
3. Reach-Ability: Cable Evens the Reach Score
4. CPMs: Getting More Productivity

How People Use® Television - 2004

5. Viewers, Brands, Programming and *Connectivity*

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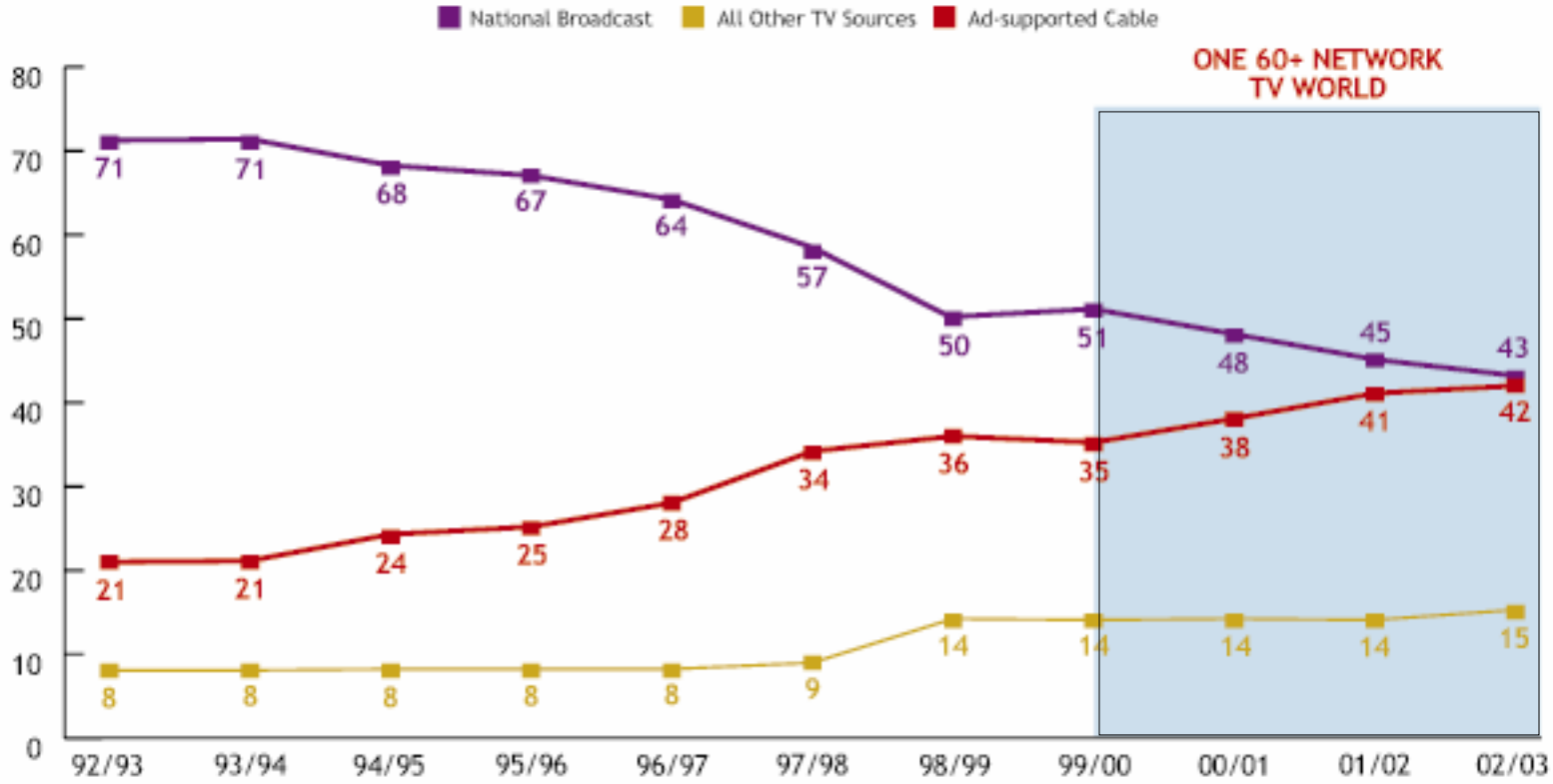
Using Cable Interchangeably With Broadcast

1. Share: Cable Displacing Broadcast

Long Term Total TV HH Share Trends

Primetime (Broadcast Seasons)



Source: CAB analysis of Nielsen Galaxy timeperiod data. Shares based on sum of all sources (not HUT).
All Other TV from 92/93-97/98 = Premium Pay + PBS and from 98/99-02/03 = Premium Pay + PBS + All other cable + Independent Broadcast.
Prior to 98/99, Cable origination included Ad Supported Cable + All Other Cable. Prior to 98/99 Independents = Independent Brdcst + Other Net Affiliates (WB/UPN/Pax). National Broadcast from 92/93 - 97/98 = 4 Net affil + Indep. and from 98/99 - 02/03 = 4 Net Affil. + Other Net Affil.

The 7 Broadcast Nets Held the Share Advantage At The Start of The New Century

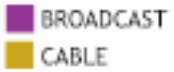
BROADCAST
CABLE

99/00 SHARE: 7 BROADCAST-NETS

	HH	A18-34	A25-54	A18-49	A50+	M18-24	M18-34	W18-24	W18-34	P2-11	P12-17
Total Day	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	46/32	BRDCST
Early Morning	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	45/37	42/41	BRDCST	BRDCST	42/22	45/40
Daytime	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	45/36	45/37	BRDCST	BRDCST	48/24	44/40
Early Fringe	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	44/34	BRDCST
Primetime	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	43/42	BRDCST
Late Night	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	BRDCST	45/38	BRDCST
Weekend	51/44	45/40	44/42	45/41	BRDCST	BRDCST	BRDCST	48/35	48/36	53/28	48/35

Source: Nielsen Galaxy 7 Broadcast Net Affiliates; Total Ad-Supported Cable

By The Beginning of The Current TV Season, Cable Was Displacing Broadcast…



02/03 SHARE: 7 BROADCAST-NETS

	HH	A18-34	A25-54	A18-49	A50+	M18-24	M18-34	W18-24	W18-34	P2-11	P12-17
Total Day	CABLE	CABLE	CABLE	CABLE	46/43	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Early Morning	48/43	CABLE	48/39	46/40	56/35	CABLE	CABLE	44/41	46/38	CABLE	CABLE
Daytime	CABLE	CABLE	CABLE	CABLE	47/44	CABLE	CABLE	44/42	44/42	CABLE	CABLE
Early Fringe	51/45	CABLE	46/41	44/43	58/42	CABLE	CABLE	45/41	44/42	CABLE	CABLE
Primetime	CABLE	47/40	47/40	47/40	46/42	CABLE	CABLE	50/37	50/37	CABLE	CABLE
Late Night	CABLE	CABLE	CABLE	CABLE	45/42	CABLE	CABLE	CABLE	44/43	CABLE	CABLE
Weekend	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE

Source: Nielsen Galaxy 7 Broadcast Net Affiliates; Total Ad-Supported Cable

For Perspective: Cable's Displacement of The Big Four Broadcast Networks…

BROADCAST
CABLE

02/03 SHARE: 4 BROADCAST-NETS

	HH	A18-34	A25-54	A18-49	A50+	M18-24	M18-34	W18-24	W18-34	P2-11	P12-17
Total Day	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Early Morning	44/43	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Daytime	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Early Fringe	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Primetime	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	39/37	41/37	CABLE	CABLE
Late Night	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Weekend	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE

Source: Nielsen Galaxy 4 Broadcast Net Affiliates; Total Ad-Supported Cable

For Perspective: Cable's Displacement of The Big Four Broadcast Networks…

BROADCAST
CABLE

02/03 SHARE: 4 BROADCAST-NETS

	HH	A18-34	A25-54	A18-49	A50+	M18-24	M18-34	W18-24	W18-34	P2-11	P12-17
Total Day	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Early Morning	44/43	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Daytime	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Early Fringe	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Primetime	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	39/37	41/37	CABLE	CABLE
Late Night	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE
Weekend	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE	CABLE

It is a *60+ Network*
One-Television world.

Source: Nielsen Galaxy 4 Broadcast Net Affiliates; Total Ad-Supported Cable

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Using Cable Interchangeably With Broadcast

1. Share: Cable Displacing Broadcast
2. Ratings: Current TV Season: First 34 Weeks

Current Season Primetime Ratings
Thru Week 34: % Change vs. Year Ago

	Cable	Broadcast	Cable Rating	Broadcast Rating
P18-49	+3.5%	-7.1%	14.6	18.4
P25-54	+1.9%	-4.6%	16.1	20.7
P18-34	+5.6%	-10.2%	13.1	15.9

Source: CAB Analysis of Nielsen Galaxy beginning 9/22/03; % Change In Demo Ratings; Broadcast Program Level Data

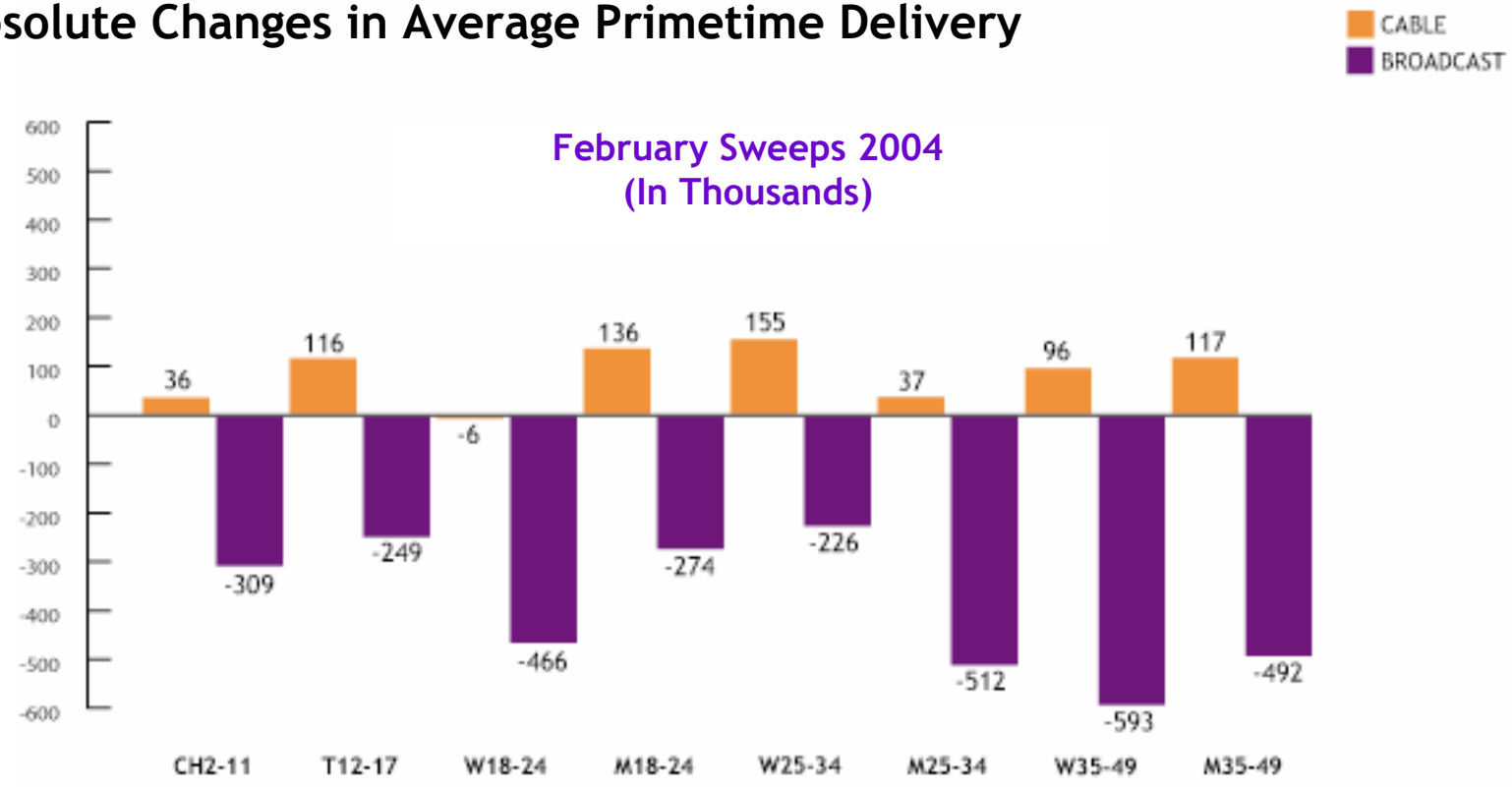
Current Season Primetime Ratings
Thru Week 34: % Change vs. Year Ago

	Cable	Broadcast	Cable Rating	Broadcast Rating
P2-11	+7.4%	-12.2%	11.6	7.9
P12-17	+6.1%	-5.7%	12.2	13.2
M18-34	+0.8%	-13.4%	13.1	13.6
F18-24	+7.3%	-17.3%	10.3	13.4

Source: CAB Analysis of Nielsen Galaxy beginning 9/22/03; % Change In Demo Ratings; Broadcast Program Level Data

Cable Wins Primetime Delivery Even During February 2004 Sweeps

Absolute Changes in Average Primetime Delivery



Source: Cabletelevision Advertising Bureau analysis of Nielsen Galaxy data. 7-Net Broadcast - pgm level data. 2/5-3/3/04 & 1/30-2/26/03.

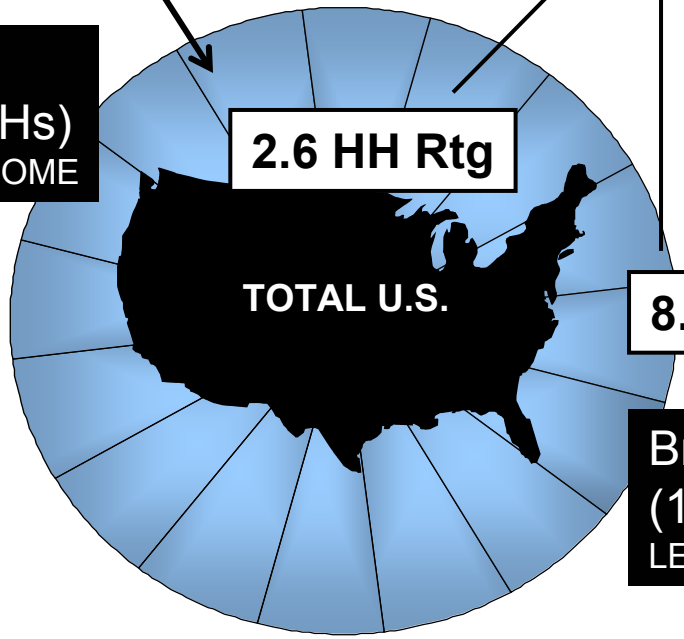
An Important Perspective When Examining Ratings...

TNT: Sat. Night Movie Classics

2.2 HH Rating

FOX: Sat. Movie Special

3.6 HH Rating



Source: NAD 12/03; TNT NHI Pocketpiece 12/29/03 – 1/25/04; National ratings.

Factoring The Inherent Bias That Helps Drive A Broadcast Rating…

Broadcast TV Programs	Total US Rating	**Broadcast-Only Homes Rating**	Cable+ Homes Rating
FOX Movie Special HH	3.6	**8.9**	2.6
The Practice - ABC W25-54	4.9	**6.9**	4.6
Law & Order – NBC M25-54	3.1	**6.3**	2.5
The Guardian – CBS W18-49	3.3	**4.9**	3.0
TOTAL 7-NETWORKS US RATING = 100 INDEX	**100**	**145**	**92**

Source: NAD 11/03; NTAR 11/03

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3. Reach-Ability: Cable Evens the Reach Score

Cable Evens The Reach Score

Knowing: Cable's share and ratings growth *had* to drive serious gains in weekly Cable reach capabilities…

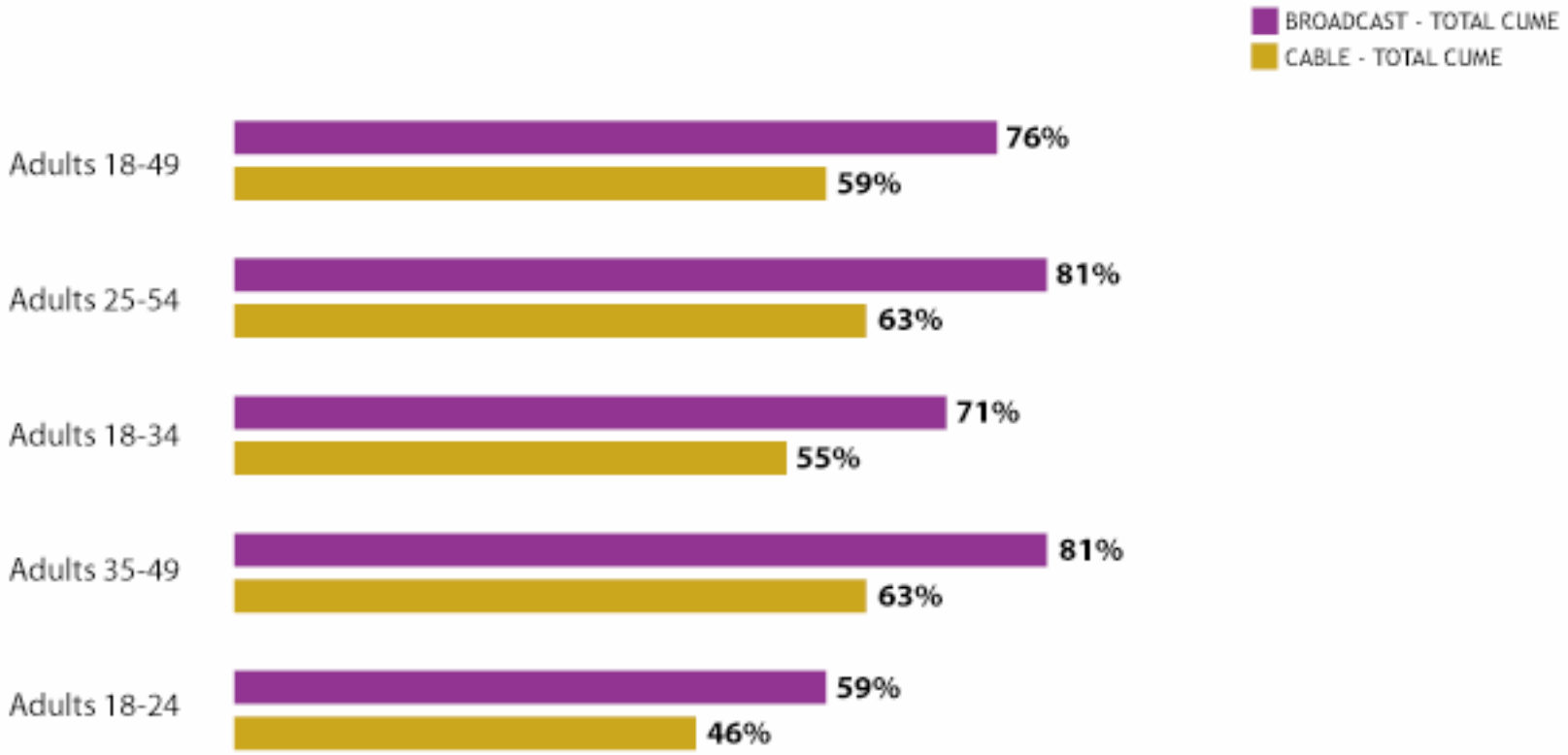
Cable Evens The Reach Score

Knowing: Cable's share and ratings growth *had* to drive serious gains in weekly Cable reach capabilities…

We Used: Nielsen respondent level data (December '03)
Audience Watch software
Produced average weekly cume reach data

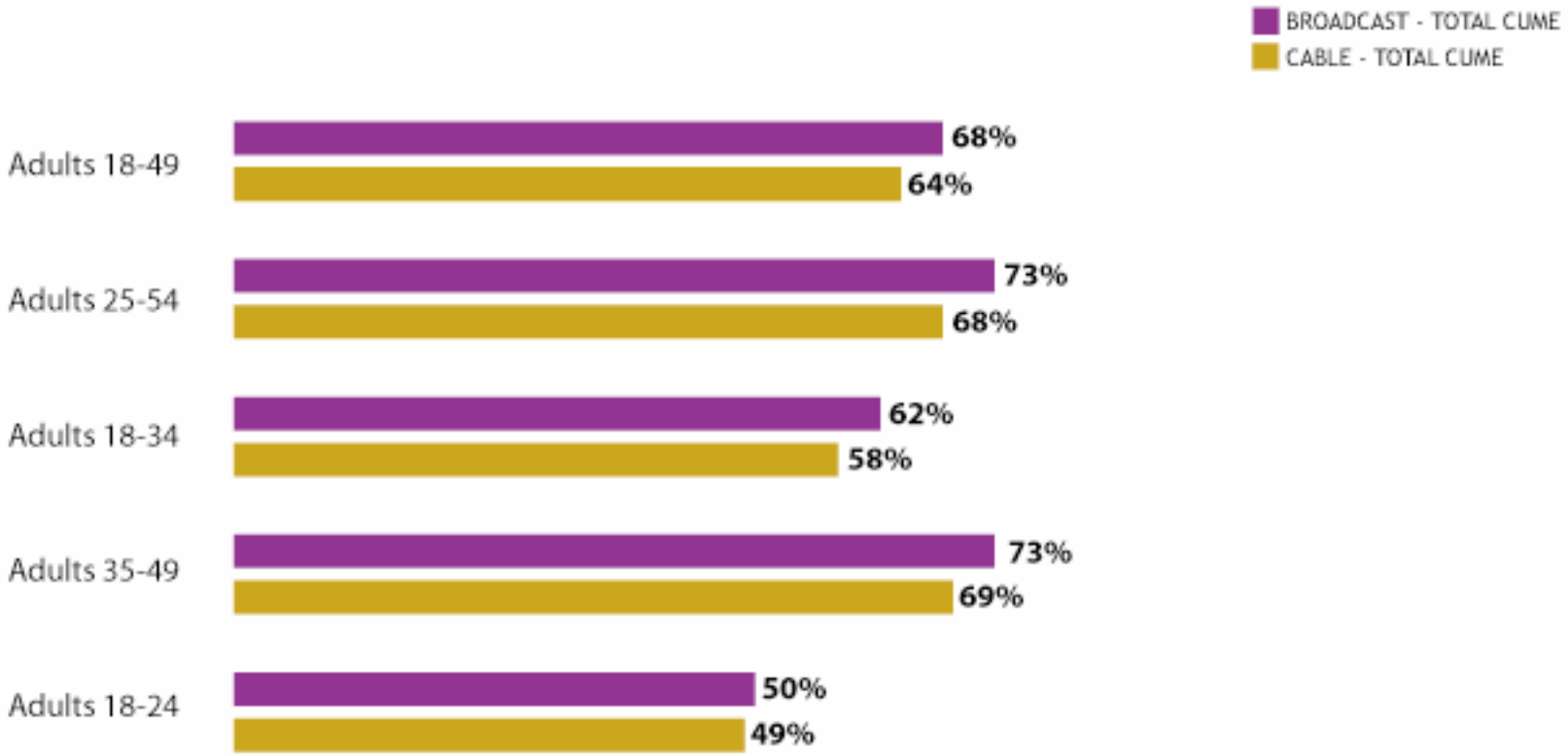
Purely as a capability exercise: 1 spot/Qtr. Hr.
for all measured Broadcast/Cable networks

Cable's One Week Reach-Ability
1999



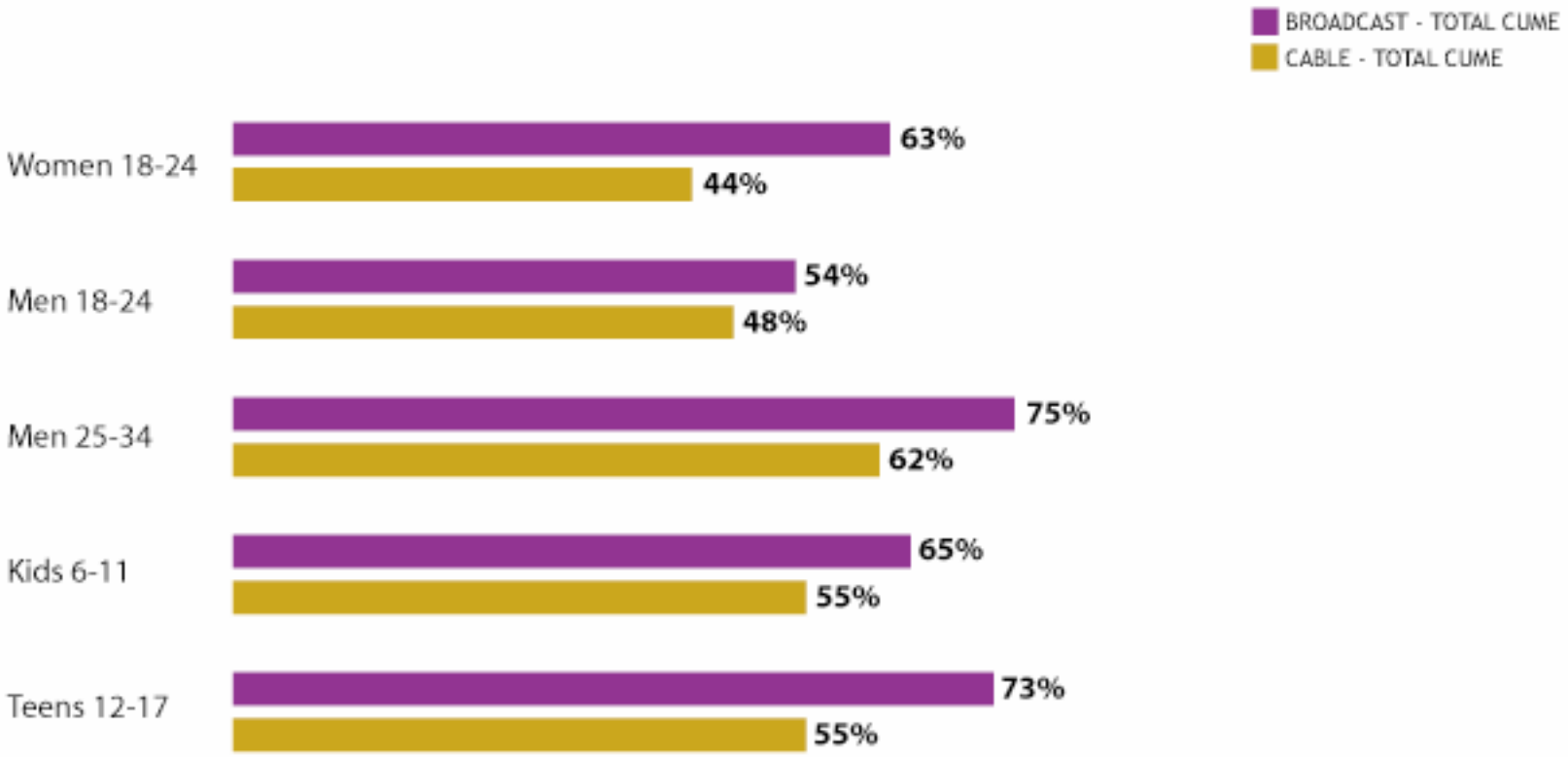
Source: Nielsen RLD December 2003; 1-spot each quarter hour Primetime; Broadcast 6-net, total reportable ad supported Cable.

Cable's One Week Reach-Ability
2003



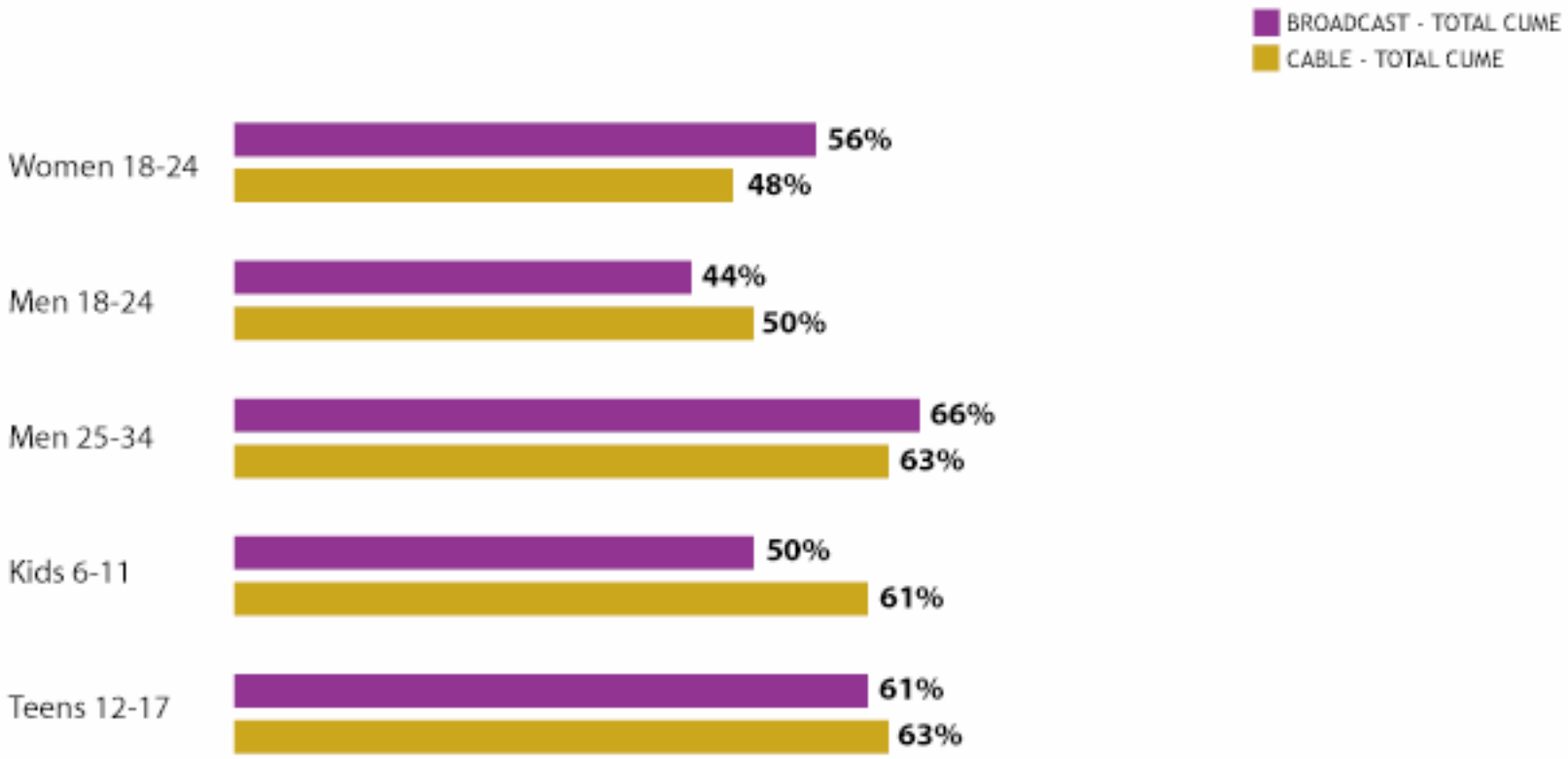
Source: Nielsen RLD December 2003; 1-spot each quarter hour Primetime; Broadcast 6-net, total reportable ad supported Cable.

Cable's One Week Reach-Ability
1999



Source: Nielsen RLD December 2003; 1-spot each quarter hour Primetime; Broadcast 6-net, total reportable ad supported Cable.

Cable's One Week Reach-Ability
2003



Source: Nielsen RLD December 2003; 1-spot each quarter hour Primetime; Broadcast 6-net, total reportable ad supported Cable.

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A Representative Cut At The Historical CPM Comparisons…

	Broadcast Primetime	Cable Primetime	Broadcast Premium
2001	$21.51	$10.54	+104%
2002	$22.04	$11.66	+ 89%
2003	$23.89	$13.41	+ 78%

Source: Television Week 2/23/04: Adults25-54 (1/03-11/03); Analysis of Nielsen Monitor Plus Data

Digested With Cable's Recent Across-The-Board Wins..

	Broadcast Primetime	Cable Primetime	Broadcast Premium
2001	$21.51	$10.54	+104%
2002	$22.04	$11.66	+ 89%
2003	$23.89	$13.41	+ 78%

'03/'04 Cable: Share Wins + Rating Gains + Reach Parity

Source: Television Week 2/23/04: Adults25-54 (1/03-11/03); Analysis of Nielsen Monitor Plus Data

Reveals The Opportunity..

2004 Advertisers Can Use Cable TV Interchangeably with Broadcast TV

	Broadcast Primetime	Cable Primetime	Broadcast Premium
2003	$23.89	$13.41	+ 78%

’03/’04 Cable: Share Wins + Rating Gains + Reach Parity

Source: Television Week 2/23/04: Adults25-54 (1/03-11/03); Analysis of Nielsen Monitor Plus Data

The Business Upside In One Television World

More Television Advertising

More Weeks of Advertising

More Brands on TV

More Promotional Aircover

More Targets Covered

More TV Networks

Richer Mix of :30's/:15's

Fewer TV Concessions To The Advertiser's Competition

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How People Use® Television - 2004

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Results @ onetvworld.org

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