



## Who's Still Afraid of the DVR?

In 2006, we launched the Millward Brown Point of View series with “Who’s Afraid of the Big Bad DVR?” by Nigel Hollis. In that POV, in the face of considerable concern that DVRs would enable viewers to avoid TV advertising and render it worthless, Nigel suggested that panic was uncalled for. DVRs, he said, would not lead to “the end of TV advertising as we know it.”



**Dede Fitch**  
Global Analyst  
Millward Brown  
[dede.fitch@millwardbrown.com](mailto:dede.fitch@millwardbrown.com)  
[www.mb-blog.com](http://www.mb-blog.com)

Five years later, we stand by that Point of View. The impact of DVRs, though not inconsiderable, has not been of the magnitude that was feared. But that is not to say that the TV viewing environment remains unchanged. It has changed a great deal, but not solely because of DVRs. Other devices and technologies such as smartphones, tablets, social media, and TV viewing over the Internet have come to the fore, and we think these devices, working in concert with ever-decreasing attention spans, pose more substantial challenges to TV advertising than do DVRs.

However, TV remains a formidable advertising vehicle. Almost 40 percent of major media spending in the United States goes to television. That’s more than twice the amount that goes into Internet ad spending. So it’s still worth talking about TV advertising, the challenges it faces, and the way advertisers can respond to those challenges.

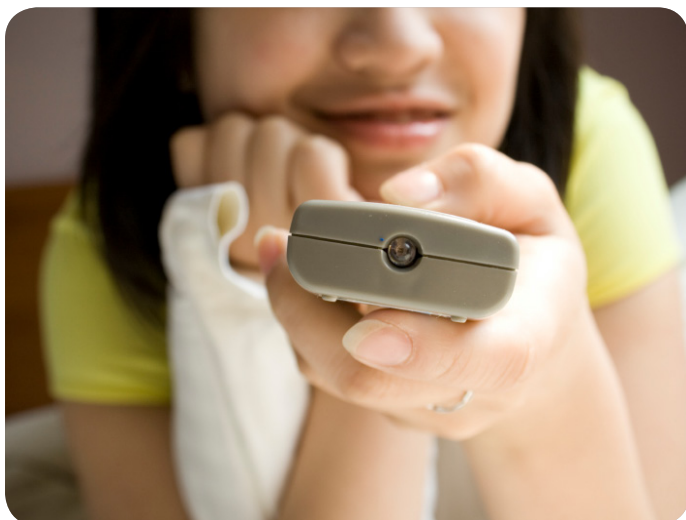
### Who Skips Ads, and When?

In 2006, Nigel downplayed the risk of ad-skipping:

*Not all ads will be skipped. ... If we assume a DVR penetration of 40 percent by 2010, with 33 percent viewing prerecorded content and 80 percent of ad exposures being avoided, then only 10 percent of potential exposure will be lost to DVR usage.*

Today, near the end of 2011, DVR penetration in the United States is close to 40 percent, but among DVR users, only 20 to 30 percent of viewing is time-shifted. Thus, if viewers fast-forwarded through all commercials, a maximum of 12 percent of commercial exposures would be missed. But ad-skipping estimates actually range from 50 to 90 percent, so somewhere between 6 and 11 percent of all ad exposures are lost.

Nigel’s prediction was based on our belief that television would remain a “lean-back” medium where many viewers would take the path of least resistance—that is, let the commercials roll. Fast-forwarding through commercials requires a level of effort that not all viewers bring to their leisure time.



Younger people are more likely to let the commercials play, but not because they are riveted to their TV screens during the commercial break. It's because they have other screens to attend to: their phones, their tablets, their PCs. They may be surfing the Web or checking email, or they may be engaging with "social TV": responding to a poll or chatting with friends about the program they're watching. Social TV activities can not only keep people from fast-forwarding, but can discourage time-shifting as well. After all, if your friends are going to be tweeting, texting, and posting about *American Idol*, the World Cup, or the World Series, you'll want to keep up with the action as it's happening. And so live viewing still predominates.

I can hear the howls of protest now. I've heard them from my own coworkers. "I always skip commercials and so does everyone else I know," said one, just the other day. The media pundits are at it as well. Blogger Steve Sternberg asserted in a recent post that Nielsen's C3 metric is flawed and, as a result, the ad-skipping numbers reported are artificially low. "Is it really conceivable," asks Sternberg, "that 40 to 50 percent of viewing via DVRs includes watching the commercials rather than fast-forwarding through them? Not in my household."

Carl LaFong commented on Sternberg's post and provided an answer in the form of a reality check:

*Not in my household either. But that's not the point. The readers of your column are not normal consumers of TV. There's something very, very wrong with us. We're reading a column about DVR measurement for chrissakes! It's quite possible that the great unwashed (whose VCRs constantly flashed 12:00 cuz they couldn't be bothered to program them) hit play on the DVR and just let it roll.*

LaFong hit the nail on the head. People in the advertising and media business seem unable or unwilling to believe that the majority of TV viewers don't share their habits and motivations. As a result, they may also discount some of the other interesting findings on viewing behavior that have come to light—for example, the fact that it is older male viewers who are most likely to fast-forward through commercials.

But neither of these scenarios—a fast-forwarding audience or a distracted one—is necessarily bad for advertisers. Even though they might wish for the good old days, when a compliant audience paid rapt attention to the advertisements in every commercial pod (and remind me ... when were those good old days?), advertisers still have an opportunity to reach both of these groups.

### The Value of Ads Viewed While Fast-Forwarding

In Nigel's original POV, he cited UK research conducted by Duckfoot Research and Sky Media, which was presented at the Market Research Society's Annual Conference in 2006. That research found that ads that had previously been viewed at normal speeds could subsequently produce positive emotional responses when viewed at 30 times normal speed.<sup>1</sup> Later studies have corroborated these results. A brief glimpse of an ad seems to be enough to bring memories and associations to mind.

**While in the act of avoiding commercials by fast-forwarding, people must actually focus on them intently, if only for a few seconds.**

This phenomenon results in part from the fact that while they're in the act of avoiding commercials by fast-forwarding, people must actually focus on them intently, if only for a few seconds. Otherwise they won't stop fast-forwarding at exactly the right instant and will go past the point where the feature program starts again.

<sup>1</sup> Thirty times normal speed was the maximum fast-forward speed on the Sky system at that time.



Eye-tracking studies have yielded more insight into the effects of what Erik Du Plessis of Millward Brown South Africa has called the “inadvertent attention” of fast-forwarders. Work conducted in 2008 at the Carroll School of Management found that ads that made heavy use of strong branding cues in the center of the screen had a greater influence on brand choice than did ads with lighter and more peripheral branding. According to Boston College professor S. Adam Brasel, one of the study’s authors, “In the age of DVRs, advertisers who place their brands anywhere outside the center of the viewing screen do so at their own brand peril!”

Advertisers have already developed new tactics for the fast-forward environment. Some seem to be responding to Dr. Brasel’s advice by developing ads that feature extended shots of brands, logos, and well-known characters. Even when fast-forwarded, these brand cues are plainly visible. Others have gone a step beyond to create ads that play in slow-motion during live viewing, so that all of the ad’s content (not just the brand cues) is clearly recognizable when fast-forwarded. Still others generate creative that is highly context-sensitive, appearing to be a continuation of the program instead of an ad.

### Make Them Want to Watch

Then there’s always the old-fashioned way of getting people to pay attention to your commercials: Make it worth their while. People who may have shifted their focus to their laptop, their iPhone, their newspaper, or their viewing companions will shift back for an ad they like or one they think might be relevant to them. Original and distinctive executions attract attention. If these executions engage people emotionally, they will be watched over and over again, just because the viewing experience is rewarding. Major advertisers understand this; a recent article published on Warc.com described the heightened emphasis that major brands such as Levi’s, Kraft, and Coca-Cola are placing on “big ideas to engage consumers.”

Nor can the importance of personal relevance be underestimated. This fact keeps coming back to us, in our own research as well as in that of others. A couple of years ago, a TiVO study (quoted in *BusinessWeek*) identified the

**If original and distinctive executions engage people emotionally, they will be watched over and over again, just because the viewing experience is rewarding.**

commercials that were fast-forwarded the least, and at first glance the results seemed surprising. The “winning” ads, for brands such as CORT Furniture (a furniture rental outlet), Dominican Republic Tourism, and the Bowflex Home Gym, had little in common with advertising that is typically cited as memorable. They didn’t have big production values; they weren’t particularly funny, evocative, or clever; and many of them had an unabashedly hard-sell message.



What the ads did have in common (besides a lack of outstanding or innovative creative) was smart media placement that made the ads especially relevant to their audiences. Oftentimes they ran on cable TV during the daytime, which made it easier for them to reach a niche audience. The Bowflex campaign aired during primetime, but ran exclusively in the context of professional wrestling, which may have inspired viewers to consider their need for a home gym.

Those results remind us of the power of a relevant message in a relevant context. This was underscored in our recent collaboration with Kantar Media Audiences (KMA) on a study of the factors involved in audience “tuneaway.”<sup>2</sup>

<sup>2</sup> “Tuneaway” is the measure of lost audience derived from tuning records based on Return Path Data (RPD) from set-top boxes. In the research we conducted, we studied 184 ads for which we had not only Link copytesting results but actual audience behavior from KMA’s RPD panel.



Though for our tuneaway study, we were studying live viewing behavior, not time-shifting and fast-forwarding, the results seem pertinent here because of what they suggest about the interplay between creative and media placement factors.

**We think that smartphones, tablets, and social media, working in concert with ever-decreasing attention spans, pose more substantial challenges to TV advertising than do DVRs.**

Our research found that overall, media placement factors (such as program, channel, ad length, position in pod, etc.) had a bigger impact on an ad's tuneaway score (75 percent) than did creative factors. The most important factors (program and channel) were those most directly connected to context, and therefore relevance (or lack thereof). And among the creative factors that we found to be correlated with audience tuneaway were a lack of personal relevance for the viewer (measured by the respondent's stated interest in hearing about the brand or category) and a lack of relevance or credibility in the ad's message. So while we have long known that the personal relevance of a creative execution is key to gaining and holding viewer attention, recent research highlights the fact that relevance is also enhanced or diminished by the programming context.

### What Advertisers Should Do

While we don't believe the sky is falling as a result of the increased adoption of DVRs, we do acknowledge that the ground has shifted. Advertisers should respond in the following ways:

#### *Accept the fact of fast-forward exposures*

Most advertisers should design at least some ads to work well in a fast-forward environment. Consider not only the placement of branding cues in the center of the screen, but also what your most powerful branding cues are. Understand the "face" of your brand (as described in Gordon Pincott's POV, "The Keys to Brand Success"). What features are triggers for positive brand associations? Use those colors, logos, or characters to your advantage.

#### *Know your audience*

Know your target audience and know what their time-shifting/fast-forwarding style is. Tailor ads and media placement accordingly. Consider making initial ad placements in programs with high levels of live viewing (e.g., sports, news) to maximize the probability that they will be seen in "normal" viewing mode prior to fast-forwarding.

#### *Factor fast-forwarding into the mix*

Realize that fast-forwarded exposure is just another element in an individual's "cloud" of influences, as described in the recent POV by Sue Elms, titled "Integrated Planning: Standing Out in the Cloud." Like all the other influences that form a brand's backdrop in today's cluttered and turbulent media environment, fast-forward exposures are part of the fluid and unpredictable mix of messages that surround today's consumers. In this environment, it is the job of media planning to ensure that content is relevant to people wherever and whenever it is received—even if it is fast-forwarded.

### Still Not the End of TV Advertising as We Know It

The DVR is here to stay—as we knew it was back in 2006. But today the DVR exists in an environment that is more complex, variable, and adaptable to individual preference than was the media milieu of five years ago. Today video is available not just on TV, but also online, on tablets, and on the phone. We applaud the advertisers and agencies that have successfully responded to the DVR fast-forwarding challenge, and we hope that their adaptability and creativity serve them just as well in the near future, as viewers follow video into new channels.

To read more about the future of TV advertising, please visit [www.mb-blog.com](http://www.mb-blog.com).

If you liked "Who's Still Afraid of the DVR?," you might also be interested in:

*"Who's Afraid of the Big Bad DVR?"*

*"The Keys to Brand Success"*

*"Integrated Planning: Standing Out in the Cloud"*

Share    