

## Local Cable CPMs Are High And Hard To Work Around

NCC's Tim Kay took an interesting approach in his recent piece in *Campaigns & Elections*, "The Case for Keeping Cable in Your Media Mix." He quoted a political consultant who said "Cable is too expensive and it doesn't work." I'd like to get that consultant's name; we are always looking for insightful speakers at TVB events.

But seriously, the point that Tim was aiming to rebut centers around local cable's ad cost expense vs. local broadcast and how to adjust for it. He made an observation that in 2010 cable ran 68 percent of the campaign spots and got only 20% of the budgets. That number is new to us since nobody monitors local cable spots across most markets (except NCC). But let's assume it's right. The 68 percent of units vs. 20 percent revenue doesn't mean that cable is efficient on a CPM or TRP basis. It means that the inventory has very low viewing numbers. In the May 2011 Nielsen Television Activity Report, total day viewing is reported for 98 ad supported cable networks. Fifty-three percent have an average HH rating of .01 percent - 1/10 of 1 percent or lower.

Kay says the reason local cable is so expensive is because buyers concentrate on primetime instead of spreading the schedule across multiple dayparts. Perhaps, but try finding ratings and reach generating opportunities on cable channels outside of primetime.

The bottom line is that local cable is expensive versus broadcast and there's no easy fix. The low rating delivery, especially outside of Prime, makes daypart dispersion an impractical option. For aggressive, nimble, effective political campaigning, you need the real reach and the real ratings that remain firmly in the domain of the local broadcast stations.

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