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Cablevision Touts ITV Ad Results

By Anthony Crupi

Just months after launching its first interactive advertising offering, Cablevision on Tuesday called the initial trial “a resounding success,” claiming that the ITV spots for clients like Gillette and retailer Century 21 attracted significant viewer response.

The nation’s fifth-largest cable operator said that the conversion rates for subscribers who interfaced with the ads that ran on its Optimum Select platform ranged between 40 percent and 70 percent. In other words, most viewers who clicked their remotes after an initial prompt to view an enhanced advertisement went on to request the client’s product or service.

Launched in October 2009, Optimum Select allows participating clients to place a call-to-action or request for information (RIF) in 30-second local spots, which can be seen in Cablevision’s 2.9 million digital-cable households. Among the first clutch of clients to sign on as Optimum Select partners are: Unilever, Gillette, New York-based retailer Century 21 and Benjamin Moore.

The first opt-in execution was created for Gillette’s line of body wash, and the promotion was so popular that Cablevision was forced to end it after just seven days. Subs who clicked on an on-screen overlay were issued free samples of Gillette’s shower-gel product; according to Cablevision, the stockpile of 30,000 samples provided for the initial run was depleted in a week.

“The launch of Optimum Select [marks] a defining moment in interactive television,” said David Kline, president of Rainbow Advertising Sales Corporation, which handles ad sales for Cablevision and its Rainbow Media programming unit. “We’ve recently begun working with local advertisers in the travel, tourism and healthcare industries on Optimum Select RFI campaigns and have seen comparable results.”

While Cablevision didn’t disclose how it was pricing its Optimum Select units, the operator said advertisers will pay a premium for the interactive spots. During the first stage of the deployment, the ITV ads were activated on 25 major cable networks. Local ad sales account for a mere fraction of Cablevision’s overall revenue performance. In the third quarter of 2009, the MSO took in \$28 million in ad sales, down 10 percent from the year-ago period (\$31 million). That works out to 1.5 percent of the company’s total Q3 revenue of \$1.84 billion.

Cablevision did not reveal the actual number of viewers who opted in to watch the ITV spots, saying only that the trial run reinforced the company’s sense that subs would embrace the service.

“One of the first objectives for Optimum Select RFI focused on getting viewers comfortable with interacting with television advertising by requesting free samples or other promotional items,” said Gemma Toner, Cablevision’s senior vp of marketing and business development. “Consumer engagement has accelerated at a pace far beyond our expectations.”