

In 2004,
people still
preferred
talking to
texting.

Apps could
only be
found in
restaurants.

And spot
cable had to
be bought
from multiple
places.



COMCAST
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COMCAST SPOTLIGHT:

By Julie Liesse

Comcast Spotlight President Charlie Thurston says his company's mission has always been to simplify chaos. When Comcast Spotlight was created 10 years ago, that meant building connections between myriad local cable systems so that advertisers could easily reach cable TV viewers in a given market.

Now, as the company enters its second decade, the mission is to simplify local cable ad buying in an increasingly fragmented media marketplace—providing a way for advertisers to stay seamlessly connected to cable TV content no matter where or on what device it's viewed.

This strategy has been a winning formula for the industry and the company, strengthening local cable as a buying target. "The bottom line is that a decade ago, when you'd look at ad revenues in the marketplace, 'local cable' would show up in the 'all other' category," Mr. Thurston says.

This year, by contrast, Comcast Spotlight will post \$2.5 billion in revenue, with local and spot cable advertising growth outpacing that of local broadcast TV advertising across the nation. Mr. Thurston is proud to point out that Spotlight is the top biller of local TV dollars in eight of the company's top 10 DMAs—including Boston, Chicago, Detroit, Philadelphia and San Francisco.

Senior VP-General Manager Hank Oster says the key to that growth "has been the whole concept of making the complex simple and offering that up. We did it first within the cable universe, consolidating the cable industry so that in a marketplace like Chicago, an advertiser comes in now and buys all cable systems simultaneously at a one-stop shop."

Spotlight was created in 2004, following a flurry of local cable system acquisi-

tions by Comcast Corp. that suddenly made the company the largest cable provider in the country. Comcast brought in Mr. Thurston to create a unified ad sales structure, so the company could compete for local TV ad dollars, and to make buying those local cable ads easy and convenient for marketers and agencies.

Comcast began the process of building more than 50 interconnects that today allow brands to buy local cable ads on more than 60 networks in nearly 80 DMAs—what Mr. Thurston calls "Spotlight 1.0." With its partner, NCC Media, Spotlight "unified the U.S.," Mr. Thurston says, creating a uniform way to buy, verify and measure spot cable. It's been a way for local businesses to reach the fast-growing universe of cable TV viewers but is also valuable for regional and national advertisers seeking to make local buys.

Mr. Thurston says moving to "Spotlight 2.0" has meant bringing the telecommunications and satellite-based cable universe into the fold. Starting in 2007, deals with Verizon, AT&T, DirecTV and DISH Network have allowed Spotlight to expand beyond Comcast households. Its network now reaches a total of 35 million households, or one-third of pay-television homes in the country.

In addition to that broad reach, Comcast Spotlight continues to up the ante with technological developments. Spotlight advertisers, for instance, can now telecast high-definition and interactive ads in local buys. The Comcast XFINITY online platform allows brands to conduct integrated, multiscreen campaigns; XFINITY ads can mirror TV spots in the same markets while reaching cable subscribers who access content online.

Mr. Oster says about 25% of Spotlight advertisers are currently buying multiscreen packages, but he expects that number to ramp up to 35% to 40% in the next year or so. "A media plan combining linear and online TV is much more effective than either alone," he says.

All this is made possible by Comcast's



Charlie Thurston



Hank Oster

“The relationship with Comcast Spotlight is the ideal relationship with a media seller because they are an actual partner. A partner listens to an agency describe difficult-to-manage goals and client needs. ... Comcast Spotlight has been a true partner to us and our clients and goes well beyond a vendor, putting our goals as their goals.”

—Craig C. Woerz
Managing Partner
Media Storm, New York

CUTTING OUT CHAOS

massive investment in technology. “The reason why we have the No. 1 share in our markets and that Spotlight will be a \$2.5 billion business this year is because of all of that investment in the technological infrastructure,” Mr. Oster says. “But we also have the ability to look at this from the marketer’s standpoint and build it for the marketer.”

“Agencies don’t need to understand that’s what we’re doing because all they care about is targeting the right consumer with the right message. But there’s a lot of heavy lifting going on behind the curtain.”

Comcast Spotlight clients also benefit from the company’s corporate footprint. Messrs. Thurston and Oster work with their peers at sibling companies NBC Universal and Comcast Cable to leverage joint assets. They call the initiative “Symphony.”

In one current example, NBC News content will be available on the XFINITY platform—a big bonus for Spotlight customers that buy both linear TV and online advertising. “Having the NBCU brand available on XFINITY brings an enormous amount of value to our marketers, including the ability to cross-promote between platforms,” Mr. Oster says. “Those resources, combined with the technology we have and the data we can produce, are going to allow marketers to get more deeply branded with Comcast.”

As it celebrates its 10th anniversary, the Spotlight team is already talking about the “Next 10.” For Mr. Thurston, that means thinking about “Spotlight 3.0.”

“I think 3.0 will be about connecting all of today’s diverse viewing devices and figuring out a uniform way to get ads there—whether it’s the Internet, video on demand, DVRs, mobile phones or that ‘Dick Tracy’-type wristwatch,” he says. “Our job is to create a uniform way of buying, selling and measuring ads across devices and platforms. Once we’re able to serve up all of these devices in a uniform way, that’s going to allow us to get much better at precision targeting both to the individual consumers and to the singular device.”

“Before you get really good at getting small, you have to be really good at being big,” he says.

Mr. Thurston knows it’s a tall order. “As fragmented as the TV landscape is today, I think it’s an exponential challenge. But what we’re good at is simplifying chaos—

AT A GLANCE

FOUNDED: 2004

AD REVENUE: \$2.5 billion

HOUSEHOLDS: 35 million

MARKETS: 79, including 8 of the top 10 DMAs

REPRESENTS: 60 top cable TV networks

XFINITY.COM: 20 million households

COMCAST ON DEMAND: 19 million households

making a uniform way to approach all of the different devices and different ways of devising programming—and a way to get added value into all of that.”

He points out that Spotlight already gets data from more than 8 million set-top boxes—“real-time, robust, deep, quantifiable data,” he says. “Eventually that’s going to allow advertisers to optimize their messages in ways we can only dream about today.”

Spotlight 3.0 will be part of the continuing media revolution that has seen television expand, develop and grow, and change American lifestyles for decades. Despite the emergence of and challenges from digital media, Americans are watching more television content than ever.

“You have to bring it back to entertainment. The big screen still rules,” Mr. Oster says. “Television viewing is higher now than ever before; more devices have meant more television time. Whether it’s online video, whether it’s something on a tablet, or on mobile or social media, nothing has been able to compete with television’s quality content, its reach and its effectiveness in terms of driving consumers to action.”

Says Neil Smit, president-CEO of Comcast Cable: “Since inception, Spotlight has been a leader in delivering audiences to a broad range of advertisers despite a constantly changing landscape in the advertising space and cable industry. Charlie and his team have been blazing new trails for the past 10 years. Today, with more content, more screens and more ways to watch than ever, Spotlight is well-positioned to connect brands to viewers, wherever they are located.” ●

“We have worked with Comcast Spotlight advertising for over 11 years now and have experienced the best in catered advertising reach. Every year that we have advertised with Comcast, we have realized improved visibility, increased patient volume and increases in sales as a result. Undoubtedly Comcast Spotlight is an integral piece of our media puzzle.”

—Jennifer Briddell Shores
Director of Advertising and Marketing
Accurate Optical Co., Salisbury, Md.

A lot has changed in the last ten years.

Here’s to going even further in The Next 10.



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