



# 2007 Upfront Opinion Study

August 2007



# Objective & Methodology

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## Objective:

The Upfront Opinion Survey, now in its third year, is a joint venture between *Advertising Age* and *TV Guide Network*. The study is designed to uncover category and media spending trends affecting the upfront season and help the market leverage emerging technologies.

## Methodology:

Two studies were conducted in 2007: one in March at the beginning of the upfront, and the concluding survey in July.

The July study results are based on 206 respondents to an online research study conducted by *Advertising Age* and Research Solutions, Inc.

# Study Topics

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- **Upfront Spending**

  - Spending Allocation Shifts

  - Online Spending

  - Change In Network & Cable TV CPMs For 2007-08

  - Hottest Daypart & Program Genre

  - Negotiation Ratings/Emerging Trends

- **2007 Trends**

  - Best Multi-Platform Advertising Campaigns

  - Best ROI Prospects

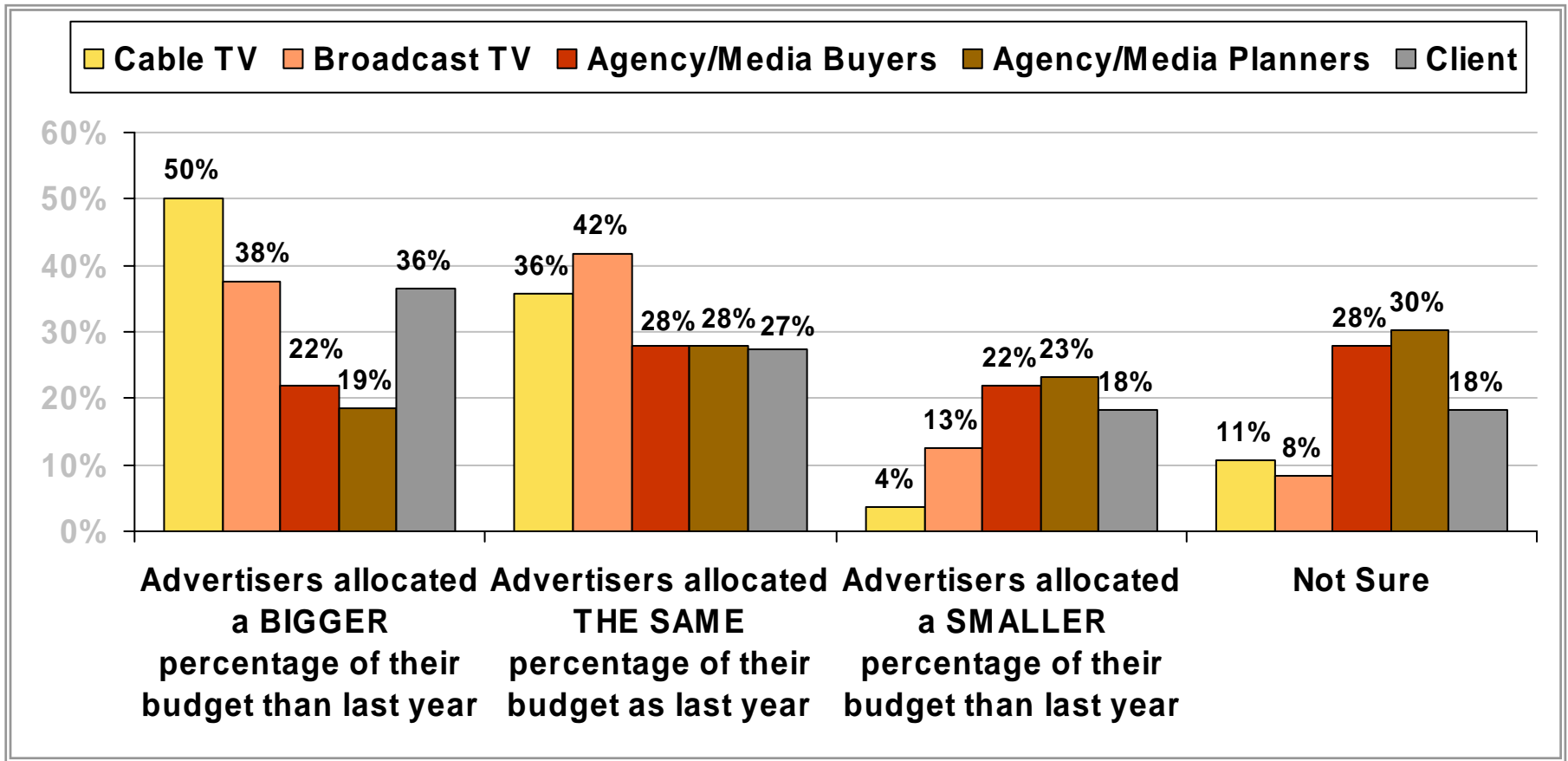
  - Emerging Technology Interests

  - Shifts In Branded Entertainment or Product Placement

  - Video Percentage of Online Advertising

# Detailed Findings: Upfront Spending

*Question: Thinking about Upfront 2007-08, how would you say advertisers allocated their TV advertising budgets?*

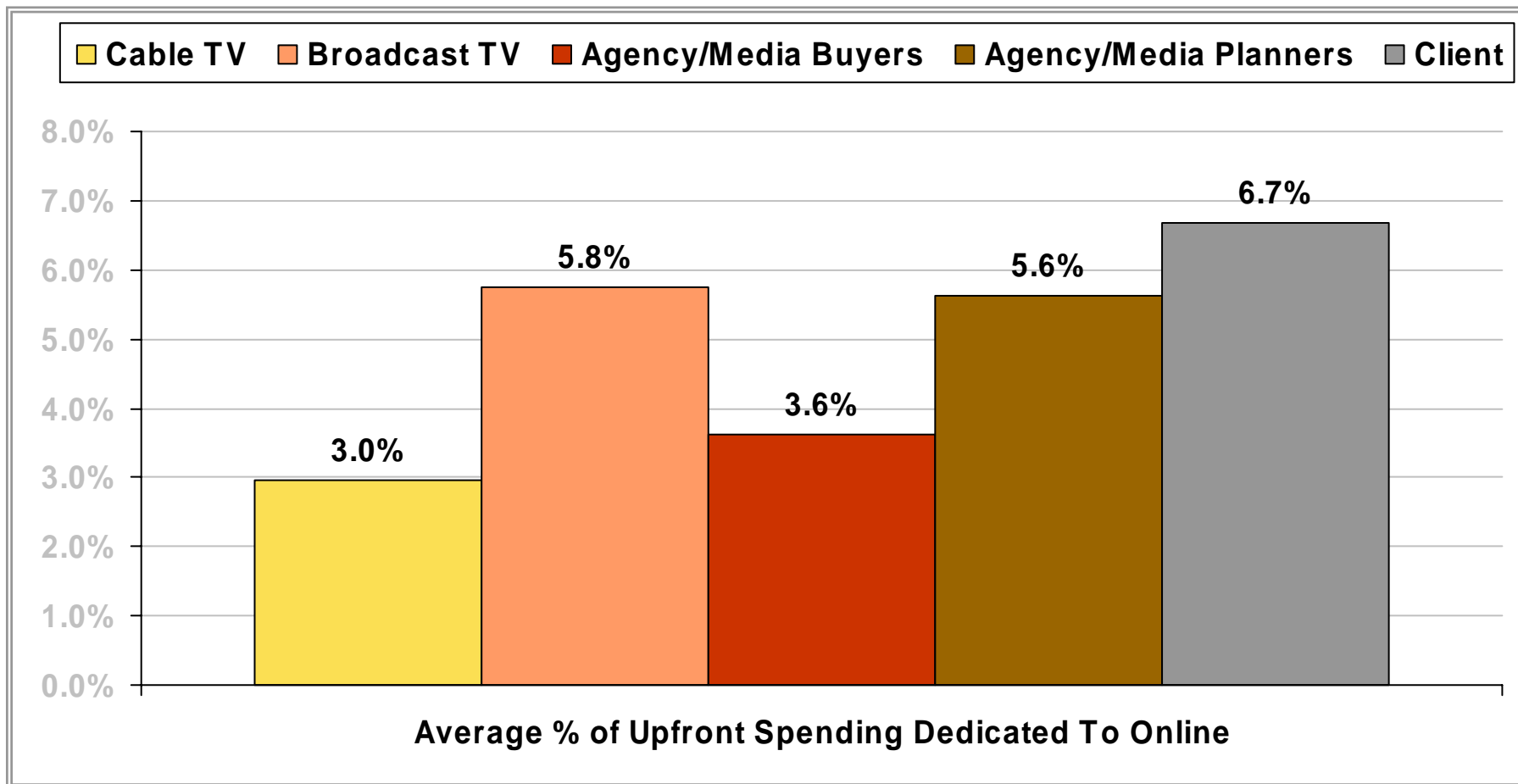




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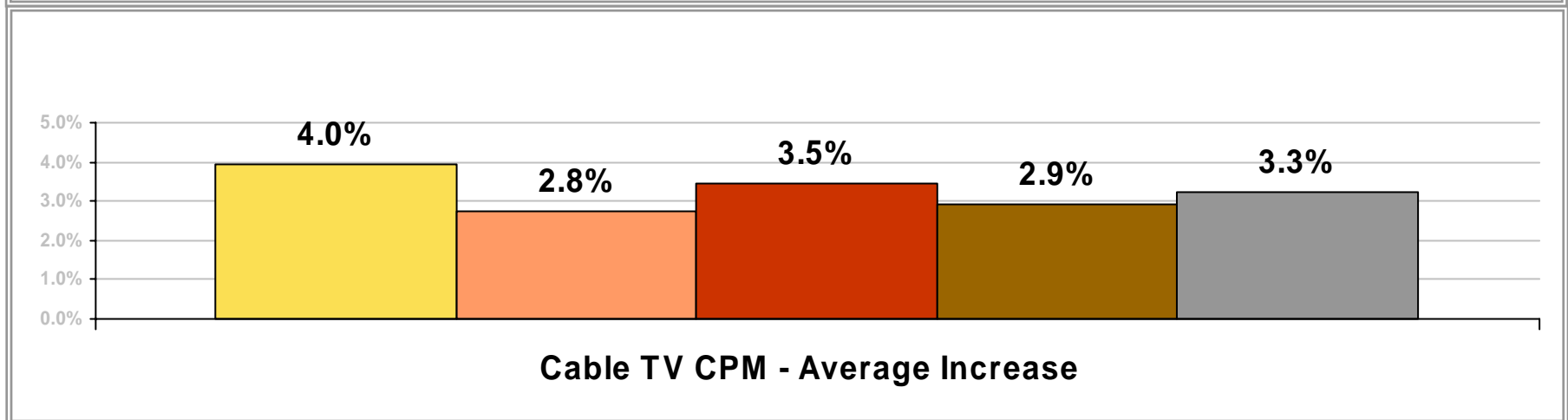
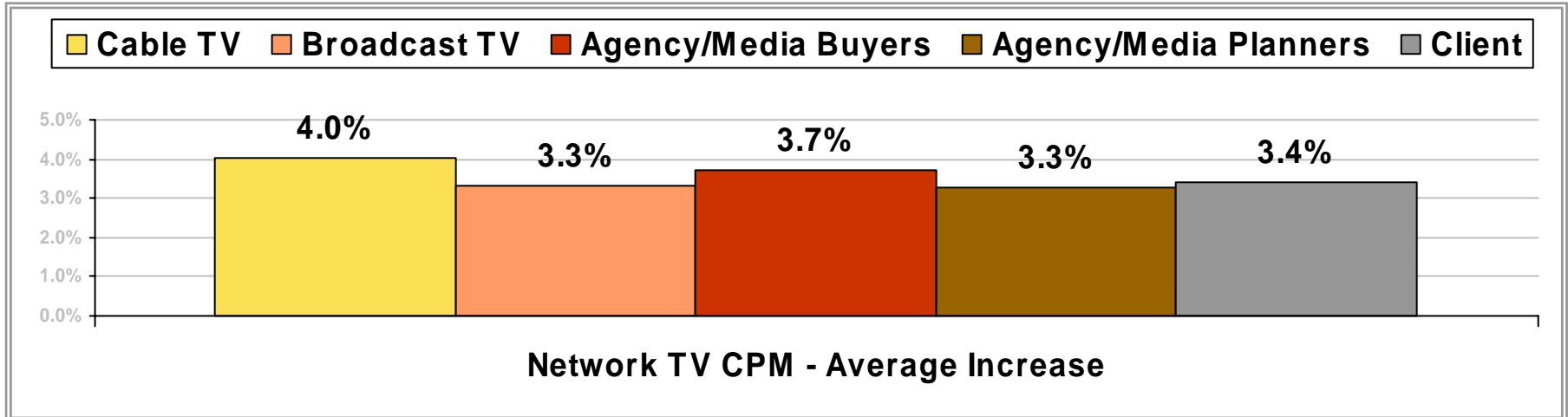
*Question: What percentage of the advertising you bought or sold during Upfront 2007-08 was online?*

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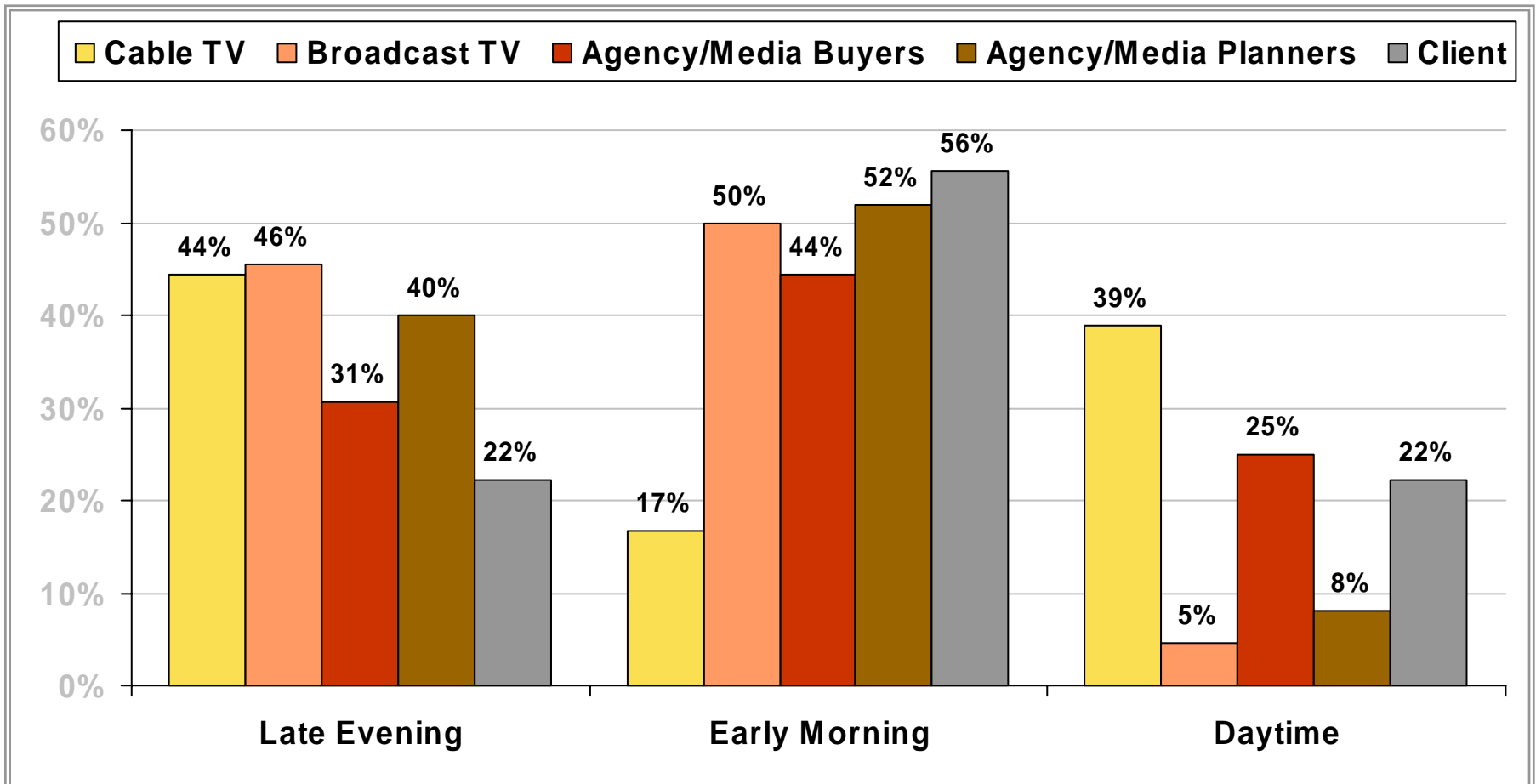


*Question: How much did network and cable TV CPMs change in Upfront 2007-08?*

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*Question: Which daypart, other than primetime, was most in demand in Upfront 2007-08?*

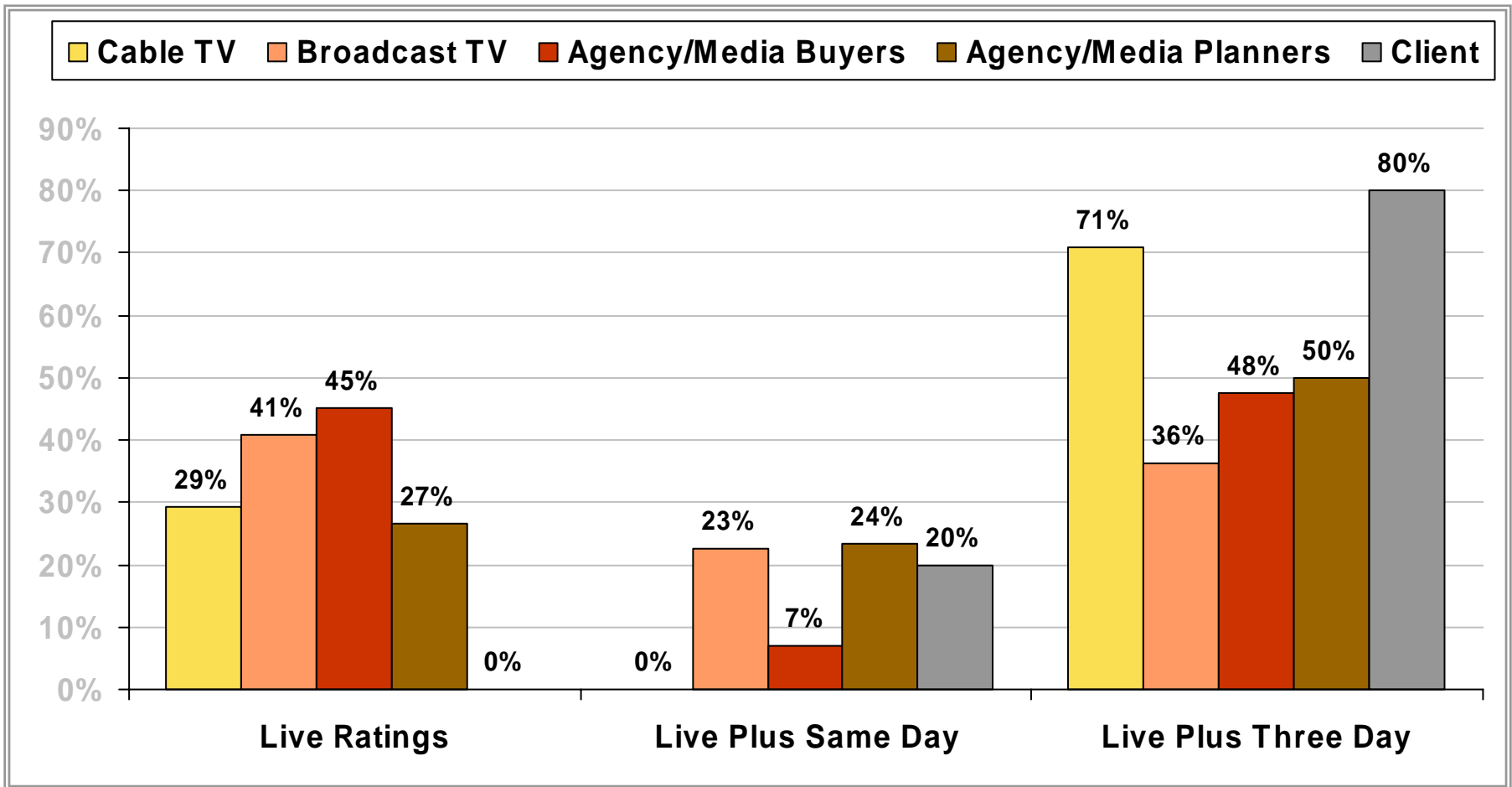


*Question: Which program genre was the hottest in Upfront 2007-08 season?*

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|                     | <b>Cable TV</b> | <b>Broadcast TV</b> | <b>Agency/<br/>Media Buyers</b> | <b>Agency/<br/>Media Planners</b> | <b>Client</b> |
|---------------------|-----------------|---------------------|---------------------------------|-----------------------------------|---------------|
| Serialized Drama    | 28%             | 20%                 | 22%                             | 46%                               | 11%           |
| Procedural Drama    | 0%              | 15%                 | 11%                             | 4%                                | 0%            |
| Sitcom              | 11%             | 10%                 | 17%                             | 4%                                | 0%            |
| Dramedy             | 0%              | 10%                 | 11%                             | 17%                               | 56%           |
| Reality Competition | 6%              | 25%                 | 22%                             | 4%                                | 0%            |
| Sports              | 39%             | 20%                 | 17%                             | 25%                               | 33%           |

*Question: Did you negotiate mostly on live TV ratings, live-plus same day ratings, or live plus three-day ratings?*



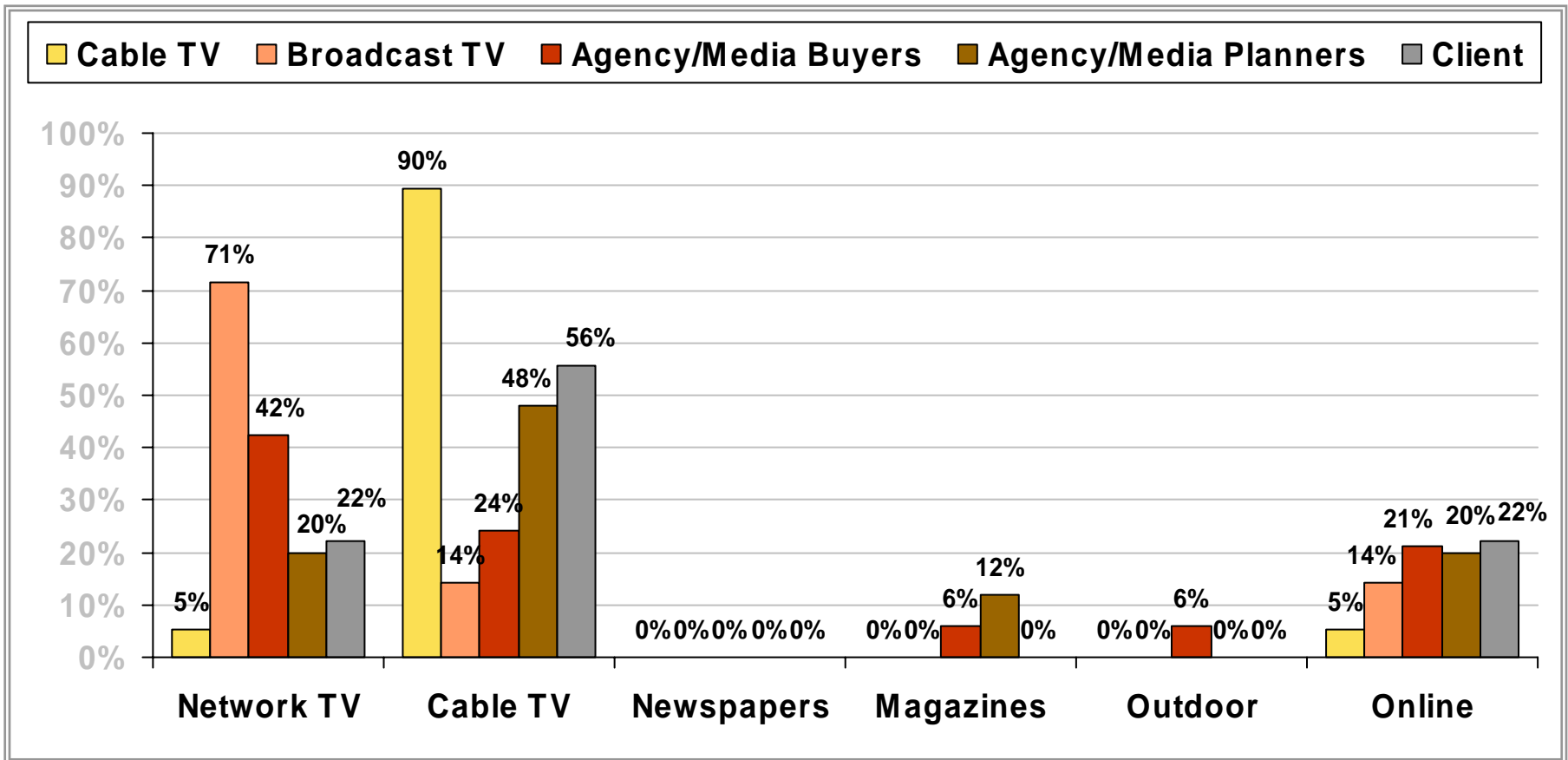
**Question:** *What is the most significant new trend that has emerged during the 2007-08 Upfront season?*

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|  | <b>Cable TV</b> | <b>Broadcast TV</b> | <b>Agency/<br/>Media<br/>Buyers</b> | <b>Agency/<br/>Media Planners</b> | <b>Client</b> |
|--|-----------------|---------------------|-------------------------------------|-----------------------------------|---------------|
| Use of commercial ratings and live plus 3 as a trading currency        | 78%             | 46%                 | 64%                                 | 54%                               | 56%           |
| Willingness of the TV networks to put more of their programming online | 11%             | 14%                 | 12%                                 | 23%                               | 44%           |
| Increased demand for cable TV upfront                                  | 11%             | 14%                 | 18%                                 | 12%                               | 0%            |
| Increased demand for network TV upfront                                | 0%              | 27%                 | 6%                                  | 0%                                | 0%            |

# Detailed Findings: 2007 Trends

*Question: Which medium appears to have the most interesting and attractive multi-platform advertising campaigns this year?*



***Question:** Which medium offers the best prospects for ROI, based on conversations you've had so far as well as what you learned at Upfront 2007-08?*

|                    | <b>Cable TV</b> | <b>Broadcast TV</b> | <b>Agency/<br/>Media Buyers</b> | <b>Agency/<br/>Media Planners</b> | <b>Client</b> |
|--------------------|-----------------|---------------------|---------------------------------|-----------------------------------|---------------|
| Broadcast Networks | 6%              | 46%                 | 16%                             | 10%                               | 11%           |
| Cable Networks     | 63%             | 9%                  | 25%                             | 10%                               | 22%           |
| Syndicated TV      | 0%              | 9%                  | 3%                              | 5%                                | 0%            |
| Print              | 0%              | 0%                  | 3%                              | 10%                               | 0%            |
| Radio              | 0%              | 0%                  | 9%                              | 0%                                | 0%            |
| Online             | 19%             | 23%                 | 22%                             | 48%                               | 56%           |
| Mobile Programming | 0%              | 5%                  | 3%                              | 5%                                | 0%            |
| Place-Based Media  | 13%             | 5%                  | 13%                             | 0%                                | 0%            |
| Word of Mouth      | 0%              | 0%                  | 3%                              | 14%                               | 11%           |

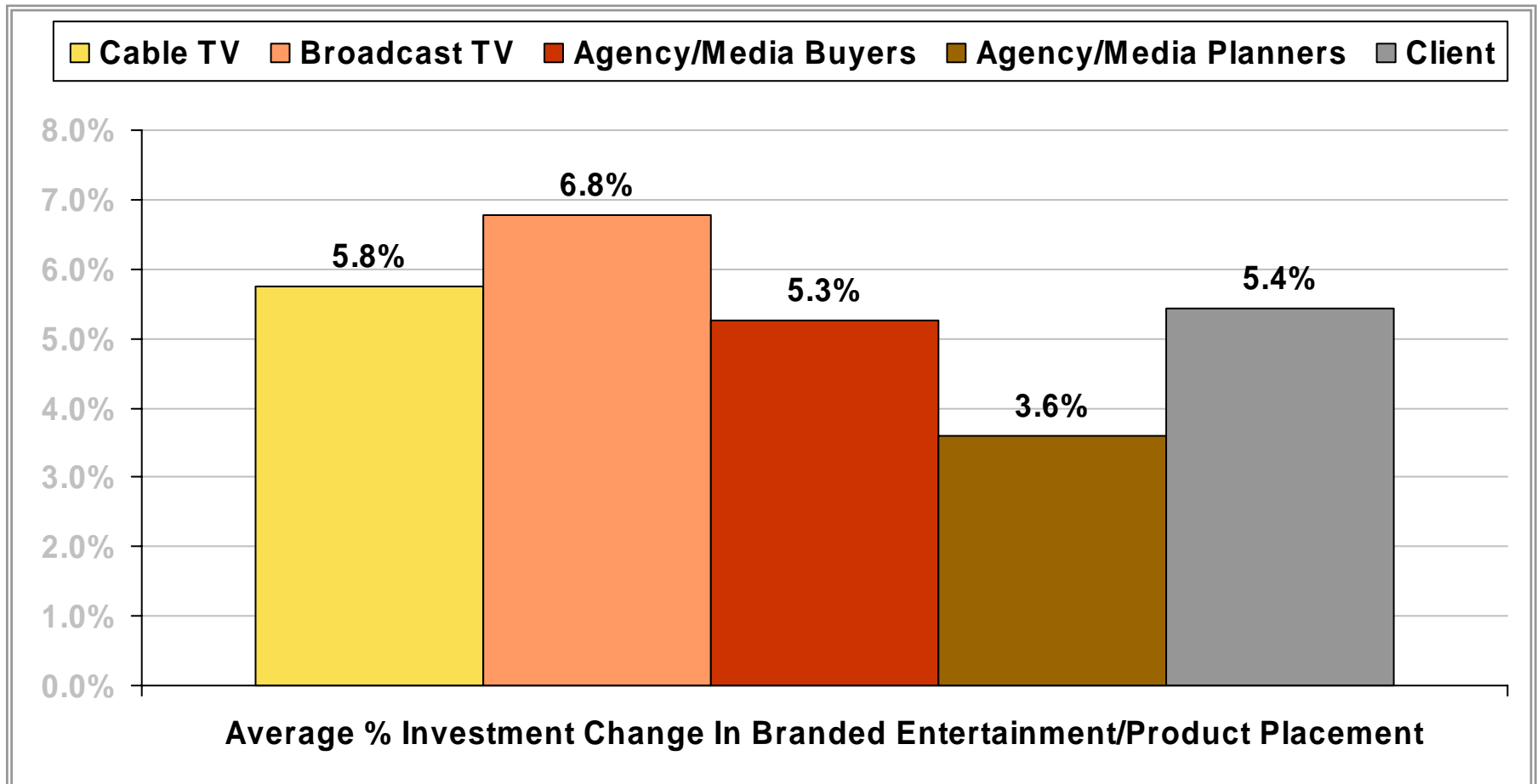
***Question:** Which emerging technology are you most interested in experimenting with this year?*

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|                         | <b>Cable TV</b> | <b>Broadcast TV</b> | <b>Agency/<br/>Media Buyers</b> | <b>Agency/<br/>Media Planners</b> | <b>Client</b> |
|-------------------------|-----------------|---------------------|---------------------------------|-----------------------------------|---------------|
| Place-Based Media       | 6%              | 5%                  | 11%                             | 12%                               | 0%            |
| Mobile Advertising      | 11%             | 23%                 | 11%                             | 19%                               | 13%           |
| Cable On Demand         | 40%             | 0%                  | 37%                             | 8%                                | 38%           |
| Web On Demand           | 11%             | 36%                 | 9%                              | 19%                               | 13%           |
| User Generated Content  | 11%             | 18%                 | 14%                             | 27%                               | 25%           |
| Social Networking Sites | 17%             | 14%                 | 17%                             | 15%                               | 13%           |

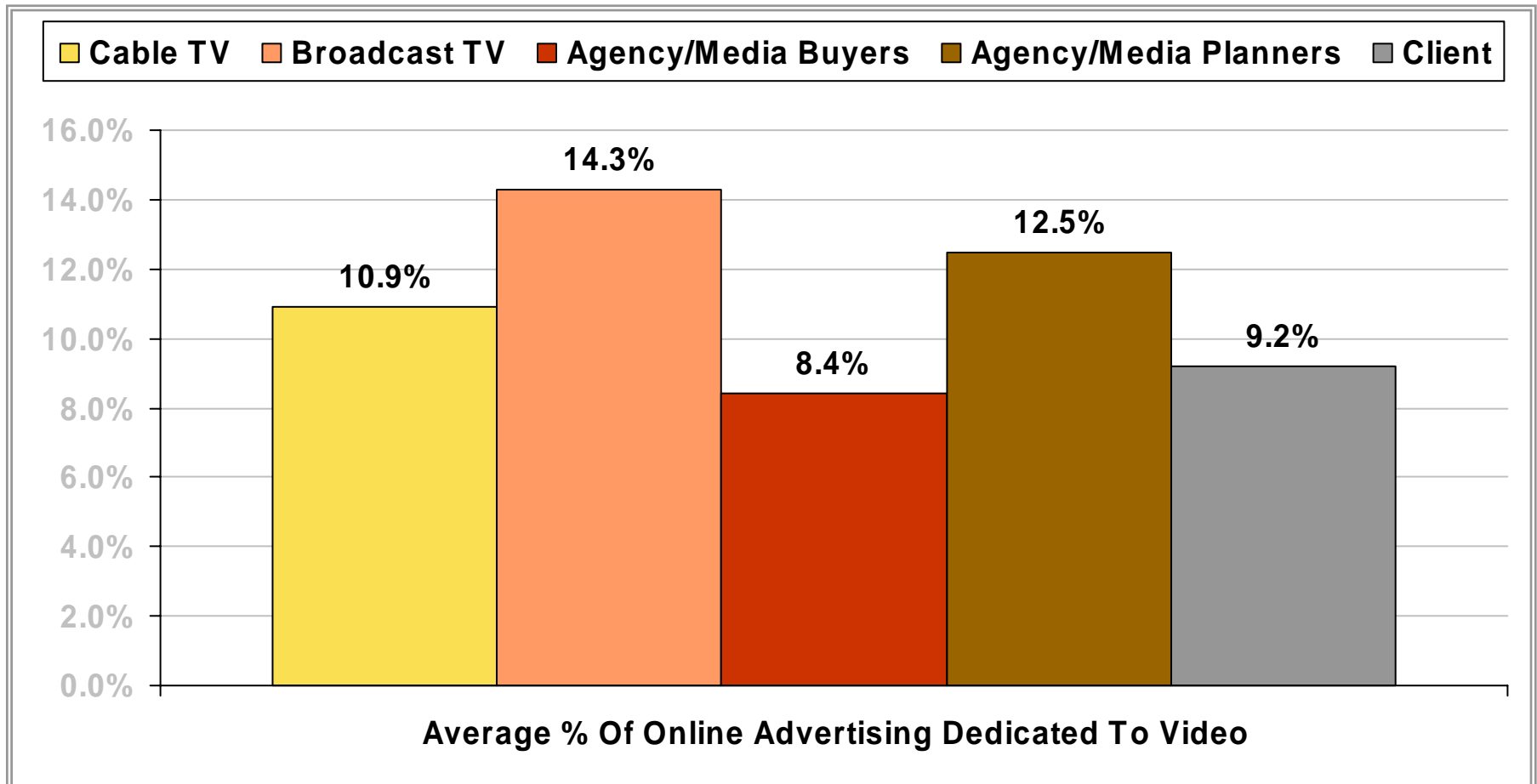
*Question: How will advertisers' investment in branded entertainment or product placement change in 2007-08?*

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*Question: What percentage of the online advertising you buy or sell this year will be video?*

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August 2007