

Targeted Online Video CPMs Much Higher Than TV

The Media Book shows wide variations in CPMs across platforms

Nutley, NJ, April 21, 2014 - A new analysis of CPMs for TV/video ad messages across traditional TV platforms and the Internet should give advertisers food for thought. According to Media Dynamics, Inc.'s recently released **The Media Book**, a typical 30-second commercial captures viewers for CPMs as low as \$3.30 on cable's daytime program fare, to as high as \$19.00 for primetime broadcast buys.

"If you aggregate all of the national TV expenditure and weight them by audience size and the degree of commercialization, an average CPM for 30-second units across all TV dayparts and platforms is roughly \$9-10," notes Media Dynamics, Inc. president, Ed Papazian.

In contrast, an online video ad—which can be of varying lengths, but averages close to 15 seconds—comes in at about a \$20-23 CPM. Untargeted online tonnage buys generate much lower CPMs of about \$9, which makes them roughly comparable to TV's all-daypart/all-platform norm. Finally, targeted video ads are much pricier, averaging CPMs of \$32-33 (see accompanying table). In both cases, however, we are comparing 30-second TV CPMs to online video ads, which tend to be of shorter length.

"While the evidence so far indicates that targeted online video ads outperform their non-targeted TV counterparts in ad recall and impact metrics, it remains to be seen whether the current CPM disparities will remain in force," says Ed Papazian.

TYPICAL CPMs FOR VIDEO COMMERCIALS BY PLATFORM 2013

Broadcast TV Nets.¹

Daytime	\$6.50
Early News	9.00
Primetime	19.00
Late Evening	17.50

TV Syndication¹

Daytime	5.50
Early Fringe	9.25
Prime Access	17.00
Late Fringe	11.60

Cable Channels¹

Daytime 3.30
Fringe 7.55
Primetime 9.85

Internet²

Untargeted Video 9.25
Targeted Video 32.75

Source: Media Dynamics, Inc., The Media Book 2014.

¹30-second units.

²All unit lengths average.

About The Media Book

The Media Book provides quantitative and qualitative aspects of performance for all six major media—TV, radio and magazines, the Internet, newspapers and out-of-home (including digital)—in a single reference. Coverage includes a concise review of all aspects of media performance including a historical overview, audience reach, demographic appeals and CPMs fpr each medium. Unique and proprietary estimates on subjects such as ad exposure factors, ad awareness levels by GRP levels and ad wearout are also included.

About Media Dynamics, Inc.

Media Dynamics Inc. is a publishing & consulting company founded in 1982 by Ed Papazian, the former Media Research Director and Media Director of BBDO (1960-75) and co-creator/publisher of Ad Forum and The Media Cost Guide. MDI's Dimensions series has served as the reference source for data trending and insights on radio, magazines, TV and intermedia. For 28 years, the newsletter, Media Matters, has delved into territory often slighted by other publications and presented a voice of reason to a frenetic and often overloaded media industry. Media Dynamics' library includes several research annuals and numerous special reports and white papers that focus on targeted areas of the media, e.g. spot TV, cable, ad receptivity, CPMs and upfront cost estimates. Media Dynamics, Inc. has also spent more than 20 years consulting on various media issues, including agency/client interactions on the media function, the hiring of independent media buying services and the evaluation of agency/media buying performance. Past clients include a cross section of TV networks, cable services, magazines, TV & radio reps, advertisers, ad agencies, research companies and new media.



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