MORE VIEWING ON TV THAN ON SMARTPHONES

eMarketer reports on a survey by Hub Research that found most TV content is being watched on a TV screen, rather than a smart phone, tablet or desktop computer. In fact, set-top boxes, TV connectors, and smart apps make up roughly three-quarters of total TV viewing. That’s a substantial difference when compared to the viewing on other devices. Only 4% of total TV viewing is done via a smartphone, and another 5% on via tablets.

The data from the Hub survey was released not long after Accenture released a surprising study with dramatically different conclusions. That study, which surveyed 26,000 users age 14 and older worldwide, found a significant drop of people who said they preferred watching content on a TV. The Accenture survey, released in 2016, said that 52% of respondents favored viewing on TV, while 32% preferred watching via laptop/desktop. A year later, the percentage of viewers preferring to watch on a TV dropped to 23%, while viewing on a PC rose to 42%.

It should be noted that the Hub Research data was gathered from U.S. consumers, while Accenture was a global respondent base. Hub Research surveyed 2,026 TV viewers ages 16-74 who watch at least five hours of TV each week.

Regardless of how viewers are consuming content, the digital video audience is growing. eMarketer estimates more than 62% of the world’s internet users will view digital video in 2017, up from 60.8% in 2016.

LOCAL ADVERTISERS LOOK TO TV FOR NEW BUSINESS

Borrell Associates has released the first wave of its 2017 Local Advertiser Survey. The research company polls local advertisers with a variety of questions regarding media use and how they plan to invest advertising dollars in the coming months. Regardless of how they spend, 83% said that acquiring new business is their top priority.

According to Borrell Associates Vice President Corey Elliot, about one out of four broadcast TV buyers say they are going to up their spend in TV this year. Of those surveyed, 30% said they plan to spend more on cable TV, while 27% said they will spend more on broadcast TV.

The Borrell survey found that 43% of local advertisers feel that broadcast TV is the most effective form of traditional advertising among those respondents that use the medium. For cable TV it was 36%.

Elliot addressed digital trends that came up in the survey. He pointed out that, “The open ended comments we collected suggest a lot of local advertisers are learning to target using Facebook and Google, but are using it in concert with traditional broadcast media.”

ADVERTISER NEWS

Business is still rough in the department store sector. Macy’s announced quarterly same-store sales down 5.2% for its own stores and off by 4.6% on an owned-plus-licensed basis. Total sales, impacted by store closures, were down a half billion dollars……Kohl’s first fiscal quarter (Feb-April) produced a 2.7% comparable store sales drop, although CEO Kevin Mansell said after a very weak February traffic and sales improved in both March and April. The company managed to produce a $66 million profit for the quarter compared to just $17 million a year ago…….Although it has yet to make a profit (it lost $56.5 million in its latest quarter) online home furnishings e-tailer Wayfair continues to grow sales, with quarterly revenue up 28.6% to $960.8 million and active customers up to 8.9 million, 45.8% more than last year at this point……Abercrombie & Fitch has put itself up for sale and is reported to have at least two suitors, Express Inc. and American Eagle Outfitters. As teens’ tastes changed the chain estimated to have been worth more than $7 billion a decade ago is now valued at less than $1 billion.……The pizza segment of the restaurant business seems to have a few winners like Domino’s, but several other chains that are losing business. Admitting to disappointing results from its national cable TV test, Papa Murphy’s reported same-store sales down 4.5% at franchised units and off even worse at company-owned stores, down 9.9%. And things were even worse at Pie Five, which suffered a 15.8% same-store decline, making a two-year skid of 19.8% in comps. The chain will close 18 of the 99 stores it had when the year started and withdraw from some underperforming markets. Rave Restaurant Group’s other concept, Pizza Inn, managed a tiny 0.1% same-store increase……BIA/Kelsey’s Local Market Advertising Forecast predicts advertising in the state of California will generate $18.5 billion in 2017. The forecast measures 12 markets throughout the state. The fastest growing ad vertical in California is real estate, projected to rise 29% through 2021…..Noodles & Company had split results: comps were up 1.1% at franchised locations but down 2.5% at company-owned units. The chain has been closing 55 units that it called “a persistent burden on the company’s human and financial capital”……Under pressure from activist investors, Whole Foods made some major changes in management and its Board of Directors while announcing comps had fallen by 2.8% in the latest quarter. The chain will put in new initiatives including the rollout of a loyalty program and targets a return to positive comps by next year……Ahold Delhaize U.S. stores also had soft numbers, citing Northeast weather, price deflation, and the late Easter. The former Ahold chains (Stop & Shop, Giant, and Peapod) had non-fuel comps down by 1.8% while the Delhaize banners (Food Lion and Hannaford) were flat.
CABLENET CHATTER

Oxygen Media has greenlit eight new series as it transitions in to the crime programming genre. The new series include What Happened to...Jessica Chambers (working title), Mysteries and Scandals, Final Appeal, Ice Cold Murder, Criminal Confessions, The Disappearance of: Natalee Holloway, The Disappearance of: Maura Murray, Patricia Cornwell's True Convictions (working title) and the Price of Duty. Additionally, Oxygen is developing Retire and Kept Alive. “This investment in premium video content is a strong signal to our industry partners as they continue to seek out quality environments for their brand messages.” noted Laura Molen, EVP of Lifestyle and Hispanic Advertising at NBCUniversal. The network has seen an increase of 48% in total day ratings from a year ago since becoming a crime destination for women......Lifetime will air Suite Francaise, Saul Dibbs 2015 WWII romance drama on Monday, May 22nd at 10 PM (ET). The movie stars Michelle Williams and Matthias Schoenaerts and focuses on a French villager waiting for news of her husband, and her domineering mother-in-law played by Kristin Scott Thomas......FX has given a 10-episode series order to Marvel's Deadpool. The series will be an animated adult-action-comedy with Atlanta creator/executive producer/star Donald Glover and writer Stephen Glover attached as showrunners, executive producers and writers. The untitled Marvel's Deadpool series set is to debut on FXX in 2018.......DIY Network has ordered a first-time home renovation series featuring NASCAR driver Dale Earnhardt Jr. and his wife Amy. The four-episode series will follow the couple as they transform a run-down historic house into a beautiful modern home in Key West, Florida. The untitled series is set to debut on DIY in early 2018......HGTV has picked up Restored by the Fords, featuring siblings Leanne Ford, a designer, and Steve Ford, a contractor. The eight-episode series will follow the duo as they transform old rural Pennsylvania homes into modern treasures. Restored by the Fords is expected to premiere on HGTV in January of 2018......A spinoff of ABC's family comedy Black-ish, starring young co-star Yara Shahidi is possibly getting a greenlight from ABC sibling cable network Freeform. The series will revolve around Shahidi's character, Zoey Johnson – the popular, entitled, stylish and socially active 17-year-old on Black-ish – as she heads off to college. The pilot was well received at ABC, but deemed to be too young skewing for the broadcast network, but would fit right in to the millennial demo target at Freeform......The price tag to settle sexual harassment claims at Fox News Channel is $45 million since the resignation of Roger Ailes last summer. That's according to corporate filings submitted by FNC parent company 21st Century Fox to the SEC......Variety says The Shannara Chronicles will move from MTV to Spike ahead of the later network's rebranding as The Paramount Network. The 10-episode second season is set to air this fall......Time Warner's Adult Swim will add a new animated series to its lineup this summer. The Jellies follows a family of jellyfish and their 16-year-old son Cornell.

BUSINESS BYTES

Verizon has won a bidding war for Straight Path Communications for $3.1 billion, besting arch-rival AT&T after that company had earlier made a deal to buy it for about $1.6 billion. Straight Path (which was valued at about $400 million just two months ago) had acquired wireless spectrum about 15 years ago and never did much with it, and it is that spectrum that Verizon and AT&T now want. It's believed that the spectrum will be important in building the next generation of wireless networks. AT&T gets a small consolation prize, though, a $38 million breakup fee from Straight Path that Verizon has agreed to pay.

The timing of the release of J.D. Power's annual study on airlines is very ironic—despite all the recent headlines, consumer satisfaction with the industry has been rising, with lower fares, better on-time performance, fewer lost bags and the lowest bump rate ever all helping customers' perceptions of most lines. Overall satisfaction with the industry rose 30 points on Power's usual 1,000-point scale to 756, continuing an upward trend that began in 2013. Among traditional airlines, Alaska Airlines ranked highest (for the tenth straight year) with a 765 score. Delta (758) also exceeded the segment average of 740 while American (736), United, (716) and Air Canada (709) trailed. In the low-cost segment, Southwest (807) and JetBlue (803) beat the segment average of 784 while WestJet (736) and Frontier (663) trailed.

ECONOMIC NEWS

More good news from the housing sector. Foreclosure filings were reported on just 77,000 properties nationwide in April, down 7% from March and 23% below the number from April 2016. Just over 34,000 properties started the foreclosure process during the month, down 6% from March and 22% below last year. Putting those numbers in perspective, at the height of the housing problems that started a decade ago, about 77,000 foreclosure proceedings had been started each month.

ACCOUNT ACTIONS

Zimmerman Advertising has picked up the account of Pure Barre, the largest barre fitness concept in North America currently with 450 boutique studios that offer “an exceptionally effective total body workout loved by more than 550,000 fitness enthusiasts.” The client hopes to double its location count to more than 1,000 in the next five years. The account assignment includes media planning and buying.

COMSCORE OFFERS NEW OTT SERVICE

comScore is announcing comScore OTT Intelligence as a new syndicated service that will measure U.S. household viewing of OTT content on television screens. The service is based on the company's Total Home Panel that measures consumer behavior across home network-connected devices. comScore notes that while OTT content is a growing segment of the cross-platform TV viewing landscape it has to date been difficult to quantify and says the new service “now illuminates this previously difficult-to-measure segment of the viewing market.”