SOOK: IMPRESSION BUYING ‘A NATURAL EVOLUTION’

NEXSTAR PONDS ITS OWN LOCAL AD NETWORK
From a trickle to a tidal wave, industry support has rapidly grown for shifting to impression-based buying and away from one built on ratings points. Nexstar CEO Perry Sook says it’s about time.

“It’s a natural evolution,” he said on Borrell’s Local Marketing Trends podcast. “It has taken too long for our industry to get to this point and we have full-throated support for the move to impressions,” said Sook. He thinks it doesn’t make sense for reps to use one set of numbers for TV and another for digital and mobile. “This will hopefully simplify our go-to-market approach for the buyers in a local marketplace. What they really want is to reach as many people as possible through as many tools as we have. It makes perfect sense that we use the same currency to keep score."

Nexstar last month became the world’s biggest television station owner after it closed a $4.1 billion deal to buy Tribune Media. When the dust settled on related spinoffs needed to secure regulatory approval, the resulting company has grown to 197 full-power stations in 115 markets. It remakes a company once focused on small and mid-sized markets. “The essential services that we provide are the same whether it’s Los Angeles or San Angelo, Texas,” said Sook. “I don’t think the basis business proposition is that much different.”

But the numbers are. Nexstar now reaches 69 million households with its TV stations. And its web properties reach more than 100 million monthly unique users, according to Comscore. Sook said that’s on par with some of the biggest news sites in the U.S., and it has Nexstar considering new ways to sell.

“With this scale I’m not interested in building a national content platform,” said Sook. “But we could build a national advertising platform and allow people to access local news and information in an entirely different way.” One thing Sook said won’t change is a focus on long-term decisions, saying it’s okay for reps to tell a client they don’t have a big enough budget to achieve their goal and suggesting they save up until they do. He said it helps “build that trust factor” between a rep and a client.

Having just completed the Tribune acquisition, Sook said it will be difficult for the company to add many more TV stations until the FCC repeals or relaxes its cap limiting a station group to 39 percent national reach, acknowledging Nexstar is now “bumping up” against the cap. “I’m forever hopeful but also realistic about how slowly the wheels turn in Washington,” he said. Sook added they’ll instead focus on other emerging opportunities to...

ADVERTISER NEWS
Amazon has signed more than a dozen leases in the Los Angeles area as part of its plan to open a chain of grocery stores, The Wall Street Journal reports. The first few stores could open as early as the end of the year. Amazon is seeking about 35,000 square feet of space for the stores, which is smaller than the typical grocery store of about 60,000 square feet, according to earlier reports. The chain will be separate from its Whole Foods brand, though it’s unclear whether they will be branded as Amazon markets. Other grocery stores are also said to be slated in San Francisco, Seattle, Chicago, Washington, D.C., and Philadelphia, according to the report...

SoulCycle has been expanding its business model with direct-to-consumer apparel line Soul by SoulCycle, Glossy reports. The fitness brand is bolstering workout wear sales with new initiatives including instructor influencers, Instagram product launches and a revamped e-commerce platform dubbed Soul Shop... Hershey’s is one of America’s oldest and most respected brands while Yuengling is the oldest brewery in the country. Now, the two companies have teamed up to produce Yuengling Hershey’s Chocolate Porter. USA Today reports the new limited release brew will be made available in bars and restaurants in up to 22 states beginning in the middle of October... Gap Inc. has announced that its Banana Republic and Athleta brands are launching buy online, pick up in-store services (BOPIS), according to a company blog post. Customers can pick up items within five days of purchase, and order updates will be sent by email or text, per the announcement. During the service’s pilot, the company reported receiving add-on sales when customers picked up their orders... Sales of e-cigarettes have decelerated over the past four weeks, led by a slowdown in demand for Juul products amid a spate of vaping-related illnesses, according to Nielsen. E-cigarette sales volume rose 38.1 percent in the four-week period ended Sep. 21, compared with 48.1 percent growth in the 12-week period, according to Nielsen.
LITTLE MOVEMENT ON NIELSEN DMA RANKINGS  
In Nielsen’s latest annual ordering of its 210 Designated Market Areas, there are only five changes in the top 20 markets and three among the top 10: San Francisco is now 6, Washington is 7 and Houston is 8. But there’s a lot of movement in markets 35 on down.

According to Nielsen’s latest Local Television Household Universe estimates that took effect Saturday for the 2019-20 season, there were 155 changes among Nielsen’s 210 DMAs, with 82 cities moving up and 73 sliding lower.

In the new rankings there were only two changes among the top 10 markets and five among the top 20: San Francisco moved up from 7 to 6, with 2,364,740 homes; Washington dropped from 6 to 7 (2,351,930); Houston moved down from 7 to 8 (2,330,180); Phoenix climbed one to No. 11 (1,879,780); and Tampa-St. Petersburg slipped one to 12 (1,800,600).

The biggest change was a 10 slot rise by Youngstown, Ohio, from 125 last year to 115. The largest drop was nine slots by both Toledo, Ohio (from 71 to 80), and Chattanooga, Tenn. (from 83 to 92).

Nielsen lists the total number of TV homes for this new TV season at 107,007,910, a drop of 2.9 percent from last season’s 110,244,650. Those numbers don’t include broadband-only homes.

NETWORK NEWS  
CBS has put into development The Last Happy Couple, which is based on the Israeli series La Famiglia. Written by Liz Astrof, The Last Happy Couple follows a perfectly normal suburban couple who decides to go to therapy to avoid becoming another divorce statistic... ABC has pulled the plug on Grand Hotel after a single season, Variety reports. Starring Demian Bichir, Eva Longoria and Roselyn Sanchez, Grand Hotel provided a look at the scandals and secrets of the Mendoza family and the staff that works for them. It averaged a modest 0.50 rating in the key 18-49 demographic and around 2.7 million total viewers across its single season... Spanish-language media company MLC Media Services says one of its hosts of El Show de Armida y La Flaka, Armida Mier, is the new co-host of Telemundo’s nationally televised Acceso Total. The Mexican radio personality will join Telemundo native Elva Saray in bringing viewers interviews with music stars, celebrity news, lifestyle tips and more. Acceso Total airs Monday through Friday at 11:30 AM (PT).

DONE DEALS  
Meredith Corporation says CFO Joe Ceryanec has decided to retire. Ceryanec has agreed to stay in his role for a transition period through early calendar year 2020 while Meredith conducts a national search for his successor... Nexstar Media Group has announced the promotions of two long-time leaders of the company’s corporate finance department: Patrick Cusick has been named SVP and controller, and Randy Bradford has been named SVP of financial operations. The promotions are effective immediately.

AVAILS  
KCRG TV9, a Gray Television station in Cedar Rapids, Iowa, has an immediate opening for a Digital Sales Manager. The DSM will work directly with KCRG’s Sales department to help prospect, develop and maintain digital advertising accounts. The DSM will also work closely with local businesses to provide unique marketing solutions and will be responsible for achieving KCRG’s digital advertising budget. Must have at least 2 years’ experience with managing and/ or selling digital marketing solutions. CLICK HERE for more info or to apply. EOE.

KMBC-TV/ Hearst Television’s ABC affiliate in Kansas City, has an opening for an experienced Account Executive. We are looking for an AE who is highly motivated, can grow revenue on existing accounts and secure new advertisers to the station. Ideal candidate will have strong business development experience as well as the ability to effectively negotiate. If you have a proven track record of producing revenue on multiple platforms, CLICK HERE to apply. EOE.

Do you have a passion for the automotive industry? KION 6 TV/Portland’s CW, a Nexstar Media Group Inc.-owned CBS and CW duopoly in Portland, Ore., has an immediate opening for an Automotive Account Executive. This person understands the unique needs of auto dealers and builds solutions to help streamline the connection of in-market auto buyers to the dealer’s website and in-store visits. Experience dealing with auto dealership General Managers and dealership principals required. CLICK HERE for more details or to apply now.

WLBT-TV in Jackson, Miss., seeks a dynamic Digital Sales Manager to work with our entire sales team and Local X (Gray’s in-house digital agency) to develop and grow digital sales. The DSM will lead the station’s efforts in developing new and incremental digital business and will accompany sellers to presentations and assist directly in closing business. Candidates must be able to demonstrate a consistent and successful track record of leadership and revenue development. CLICK HERE for more details or to apply now.

WTAT-TV FOX24 in Charleston, S.C., seeks an energetic and experienced Creative Services Director. The director is responsible for on-air promotion and packaging of the channel’s marketing content and material. This position is both creative and strategic and works closely with station management to develop brand strategy and launch content and create brand identity and packaging. At least five years of creative professional in broadcasting and/or cable on air production required. Please email your resume to jobs@foxcharleston.com, and include your salary requirements and a link to your latest work. EOE.

See your ad here tomorrow! CLICK HERE for details.
U.S. ECONOMY WEIGHS RISING STORE CLOSURES

The retail apocalypse over the past several years has devastated America's department stores, chains and mom-and-pop operations.

That's according to CNN Business, which says stores are closing at record levels and the number of people working in retail is on the decline. And it's all happened at a time when the economy was strong.

But if the U.S. slips into a recession, as many economists fear it will sometime next year, the problems plaguing retail could get worse. Store closings could accelerate and layoffs in the sector — a major provider of jobs — could spread. Retail is one of the biggest sources of employment in the U.S. economy, with 15.8 million jobs, or more than 10 percent of all jobs nationwide.

U.S. retailers this year have already announced more than 8,200 store closings — well above the previous record of 6,700 in 2017, according to Coresights Research. By year's end, the annual tally could reach 12,000, Coresights estimates. Payless and Gymboree both filed for bankruptcy for a second time this year, closing nearly 3,000 stores between them.

WPLG-TV EMBRACES IMPRESSION-BASED ADS

WPLG-TV, the ABC affiliate in Miami, said it will be selling advertising based on audience impressions, rather than traditional ratings, joining a trend among local stations, Broadcasting & Cable reports.

Owned by Berkshire Hathaway, the station said impressions allow advertisers an easier way to purchase ad schedules across the platforms and screen it sells, including linear TV, livestream, on-demand, over-the-top and other forms of digital media. “This isn’t so much a change as much [as] it is adapting to the current times,” said Paul Wasserman, general sales manager at WPLG.

“Advertisers want to know the number of people they are reaching. Impressions allow us to accomplish this and recognize our audiences across all platforms while still remaining accountable for deliveries.”

BYRON ALLEN BUYS 11 TV STATIONS FOR $290M

Entertainment Studios CEO Byron Allen is expanding his TV station holdings with the purchase of 11 small-market network affiliates from USA Television for $290 million, Variety reports.

The largest is in market No. 79, Huntsville/Decatur/Florence in Alabama. The deal with Atlanta-based USA Television brings Allen’s investments this year in small- and mid-sized market TV stations to $455 million. In July, Allen Media Broadcasting cut a deal with Bayou City Broadcasting to buy four stations in Indiana and Louisiana for $165 million.

Allen Media is fast becoming one of the nation’s largest African-American owners of local TV stations. The USA Television station deal includes stations in Fort Wayne, Ind. (Fox’s WFFT), Eugene, Ore. (ABC’s KEZI), Chico-Redding in California (NBC’s KNVN), Rochester, Minn. (CBS’ KIMT) and Terre Haute, Ind. (CBS WTHI).

SOOK BULLISH ON IMPRESSION-BASED BUYING

(Continued from Page 1)

grow the company.

Nexstar was purposefully slow to embrace OTT distribution. Sook said he’d rather do it right than be first. “Our process is: let’s understand the business, our role in it, and then we can go play and play hard for it. But to be out there without a strategy is not a prescription for success,” he explained. Today local reps are offering OTT as an add-on to packages.

Sook has been among the biggest champions of local broadcast stations securing retransmission consent fees from cable and satellite companies. Today, more than half of Nexstar’s revenue comes not from ads, but those fees. Sook said with single-digit growth in core TV ad spend and double-digit growth rate for digital distribution, within five years two-thirds of Nexstar revenue could come from retrans fees, with only about a third coming from ad sales.

He also confirmed that any OTT platform carrying a Nexstar station is paying for it. With cord-cutting impacting cable and satellite subscriber numbers, that will be important in the coming years. “Over the last year the decline in traditional subscribers has been more than covered by the emergence and growth of the OTT subscribers,” said Sook.

Listen to the full podcast HERE.

THIS AND THAT

The UAW says a new comprehensive offer made by General Motors late Monday to end a two-week-old strike was not acceptable and said it had made a new counterproposal. UAW VP Terry Dittes said in a letter to members “there are many important issues that remain unresolved,” Reuters reports... Sam’s Club, Costco, BJ’s and Lowe’s are among the 15 national retailers that have announced plans to close their stores on Thanksgiving Day, Business Insider reports. Many will open early the next day with Black Friday promotions... Amazon has revealed that Samuel L. Jackson will be Alexa’s first celebrity voice, enabling users to hear the actor respond to questions and more. The skill comes in family-friendly or adult versions.

MONDAY NIESEN RATINGS - LIVE + SAME DAY