

## ADVERTISERS TURN TO OUTLETS OTHER THAN TRADITIONAL TELEVISION



**Summary:** Traditional television viewing is declining with more people turning to digital streaming outlets like YouTube and Netflix, forcing advertisers to rethink how they spend their money for advertising time.

Starting today, television networks begin their attempts to solidify tens of billions of ad dollars from marketers for the upcoming TV season at the week long even called the upfronts. The networks aim to sell up to 75 percent of their advertising time during the negotiations that take place after this week's flashy presentations and parties.

The networks are desperate for the contracts since TV ratings have seen a decline lately. The networks struggle to stay ahead as they battle the fierce competition with digital streaming outlets such as Netflix. TV viewing is down 9 percent from last season, Netflix viewing took 43 percent of that decline in the first quarter of this year.

Traditional television is changing and less people are sitting and watching their shows through the traditional venues of cable or satellite. Even networks offer their shows as a streaming option. Advertisers are seeing this change and recognizing that they need to change with the demands.

Digital is becoming the new demand for all sources of media. Advertisers are now looking into the places where consumers' stream shows the most and where advertising is allowed, such as YouTube. Netflix does not accept advertising. With advertisers having to put their money into other sources, their budgets for traditional television are being cut, making for intense rivalries between networks to secure those funds. Experts expect a decline of at least 7 percent in committed advertising time contracts during the upfronts.

Source: <http://www.nytimes.com/2015/05/11/business/media/networks-fret-as-ad-dollars-flow-to-digital-media.html>

Photo: digitaltrends.com