

NBC TAKES GLITCHES AND CENSURE IN ITS STRIDE, LAUGHS ALL THE WAY TO THE BANK



In spite of being pilloried for umpteen telecast errors of judgment, the end of the first week of the London Olympics has brought praise and accolades for NBC and its packaging of the games and garnered top ratings for the network. NBC was being hammered for delayed coverage, its irregular streaming online video and the endless commercials that the viewers found extremely intrusive and irritating. The commercials were a given, considering that NBC had paid an astronomical \$1.2 billion for the US rights to air the games. It had paid \$900 million for the Beijing games 4 years ago. Analysts had said that the amount paid was unreasonable and predicted that NBC would find it hard to recover the investment. NBC themselves said that they expected to lose about \$200 million over telecasting the games. Why then would NBC want to enter, willingly at that, into a loss making venture, that they themselves felt could cost them \$200 million? The Olympics are seen a brand builder and by earning the right to become the sole providers of the games for the US audience, it would be a feather in their cap, that they would be proud to adorn. They are also banking on their Olympics popularity percolating to their fall line, when the Matthew Perry sitcoms "Go On" and JJ. Abrams apocalyptic drama "Revolution" debut in September. NBC knowing full well that the audience were hooked on to the channel watching the mega sporting event, lost no chance in marketing itself and used the Olympics to introduce audiences to new co-host Savannah Guthrie, who recently replaced Ann Curry. It also promoted its show "Today" by featuring top US athletes. The commercial breaks, to a great extent, were a promotional vehicle for the NBC. Moreover, it seems that NBC projected loss was a misplaced assumption, that for reasons beyond their control, their primetime viewership may be curtailed. But it has turned out its prime time ratings are exceeding its rating for the Beijing games and by selling additional ad spots, it will go beyond breaking even, it might actually make a profit. Following universal practice, NBC also held back ad slots that owing to poor ratings would have to be turned into free ads. However, out-of-the-blue unanticipated ratings have seen those spots lapped up, sending their revenue soaring. Till date more than 30 million viewers have watched the games during the first six of the seven nights. According to *The New York Times*, 36.8 million viewers watched swimmer Michael Phelps and gymnast Gabby Douglas on Thursday making it the most watched show on a Thursday night. People were very skeptical of a survey conducted by NBC that proved that viewers would still watch events, the result of which they already knew. Since NBC had commissioned the study, critics were distrustful of the veracity of the findings. However, the increased viewership proves that they were not far off the mark. "Everybody keeps talking about this old television model being a dinosaur," says Robert J. Thompson, a professor of television and popular culture at Syracuse University. "There's this idea that digital technologies have made that model obsolete, but it's an incorrect assumption." Thomson says that there is a good portion of the US public, he estimates around 20 percent, who for various reasons, primarily professional and work related, cannot watch live streams and they would not be averse to watching events in which everyone knows who won and who lost. He says that people throng to productions of Romeo and Juliet, even though they know that both are going to die in the end. They want to see the process he says, that's what draws them, even more than the end result. Moreover, Thomson says that the NBC did a great job of the telecast, "Give them three minutes, and it's generally enough to hook you," he says. But all said and done, very few people will forgive them for failing to cover the 100 meter dash, which must have been watched by every sporting enthusiast across the globe – who can forget that owing its ad-packed online coverage the premier event faced buffering issues as the Jamaican bolted across the finish line. It seems that they have taken the criticism in their stride, realizing that you cannot run a business, on which more than a billion dollars lie, trying to keep everyone happy. Although it is quite likely the criticism will continue well beyond the games, but having made a neat little packet, the NBC officials will be laughing all the way to the bank.