AD LAND ADDS UP HURRICANE LOSSES: OVER HALF A BILLION, SAY ANALYSTS

The physical presence of the hurricane may be over but its after-effects will echo for months especially for businesses as it evaluates its storm-related, hard-to-recoup, losses. Tens of thousands of businesses in the dozen states that had the misfortune of lying in Sandy's path will take months to recover from the battering they received at the storm's hands. Marketers and advertising agencies also suffered considerable losses. Even though New York, New Jersey and Connecticut together form less than 11 percent of the country's population but has a major share of the country's advertisement and employment. Experts calculate that the ad world could have been set back by as much as $500 million. Given that it was an industry that was not seeing a lot of growth, expect for the push provided to it by the elections, the loss will be a blow that will take time to recover from. Moreover, analysts who had predicted a better year for the industry are now reassessing their predictions and fearing that the growth will be replaced by continued revenue decline for the industry. Political ads were dominating the ad spaces and with the election merely days away, there seemed to be space for little else, but then the storm came and political ads had to give way to storm updates and press conferences and breaking news. Moreover, insures such as Allstate, Geico, State Farm and Nationwide, who have special emergency budgets for natural disasters, took over whatever little space was left. There will be some extra-advertising revenue from auto and home improvement companies, in the aftermath of the storm, but that will hardly compensate for the huge losses that the ad world has had to bear. As it is the results of the fourth quarter were not very encouraging, and Sandy landed the media economy a virtually knockout blow, taking the wind out of the media sails. The storm, the likes of which this generation had not seen before, has set back the industry by a half-a billion dollars. Analyst says that instead of 0.9 percent growth that was expected, the ad world would likely experience a 1.4 percent decline. Pivotal Research Group senior analyst Brian Wieser said, owing to program disruptions local television and radio programming, across the country, the ad world lost the equivalent of one day's spending of the fourth quarter. George Janson, managing partner-director of print at Group M said that the print media, especially newspapers may get extra revenue to offset some of the losses, as some advertisers will try to reach people with last moment ads offering storm related assistance and services. "In terms of ads that were supposed to be placed, they'll still be placed. Business, including planning for 2013, will proceed, he said: "It's just getting compressed," he said. Wieser says that national TV broadcast ratings have performed rather poorly and there ratings do not behoove to well for the fiscal year ahead. Only NBC has shown growth, averaging a 3.1 in the 18-49 age groups. Following it is CBS, but it is down 18 percent from where it was at this time the last year around. CBS has 2.7 rating average. Fox is down 24 percent and at fourth and last place is ABC down 7 percent. Wieser downgraded his growth predictions for the national TV market from 4 percent to 1.8 percent. He said that Broadcast will now face a decline rather than the earlier predicted growth while cable TV will show growth but less than what analysts had predicted. Looking for Advertising Agency jobs? Click here.