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## How Linear Broadcasters Can Profit From Streaming

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The emergence of streaming services has created a significant challenge for traditional broadcast television networks in the U.S. While there is greater focus now on how brands and companies can diversify their advertising strategies across new media services, platforms and apps, and a major focus on advertising in streaming and modern media, this trend has actually opened up opportunities for linear TV and broadcast networks to diversify their revenue streams and increase the growth potential of the sector.

That's the conclusion of U.K.-based Beatgrid founder **Daniel Tjondronegoro**, who penned an exclusive *Media Information Bureau* column for the *Radio + Television Business Report*.

By Daniel Tjondronegoro

Linear television can leverage its strengths in creative opportunities, data analytics, and live events to maximize advertising revenue in the digital age.

This is especially so now, as streaming competition no longer sits in its "ad-free ivory tower."

### What to do about advertising for traditional television now?

Today, traditional linear television in the U.S. is facing the challenge of remaining profitable and relevant in a rapidly changing media landscape. One potential solution for broadcasters is to monetize their digital streams while primarily focusing on advertising in the broadcast. Research has shown that creative quality is among the most significant drivers of advertising effectiveness, with creative factors accounting for a big percentage of a campaign's impact.

To remain relevant and profitable, linear television networks must focus on advertising effectiveness by leveraging their strengths in creative and data analytics. It might just be the industry's best kept secret, but broadcast television networks in the U.S. still possess massive potential and can still be a draw for advertisers and brands alike.

Linear TV can offer a wide range of creative opportunities to advertisers, including product placement, sponsorships, and integrated marketing campaigns at customized rates. They can also leverage data and analytics to identify the most effective creative strategies and channels for reaching specific audiences. This way, linear television can diversify its revenue streams and remain competitive in the ever-changing media landscape.

The Super Bowl is a prime example of how a television broadcaster can capitalize on live events to attract advertisers and viewers from across the country – and the world, for that matter. With the entire event hosted in 2023 by Fox, the broadcaster was able to charge up to a reported \$7 million for a 30 second advert, as they offer advertisers the chance to reach millions of viewers at once as part of a wider cultural event. For events like the Super Bowl, broadcasters can offer exclusive access to live matches, interviews with players and coaches, and analysis and commentary from experts, creating a high-impact, real-time advertising opportunity for advertisers. A similar opportunity is seen, and taken full advantage of, by advertisers globally during the World Cup.

### Advertising advantages with traditional TV

Linear television can also leverage local advertising opportunities to reach specific target audiences based on location, bringing the "old school" back as a counter to the 'disconnection from place' that can come with streaming platforms. One of the major social trends over the last few years has been greater desire to connect with local communities and subcultures, something that can be tailored and nurtured through collective broadcast experience.

For instance, local television stations across the U.S. can offer targeted advertising opportunities to businesses in specific regions, such as hotels and quick-service-restaurants, supermarkets, and retailers – feeding into a collective frame of reference that greatly benefits brands.

One of the opportunities for linear TV in America is to maximize campaign performance by using accurate and deterministic media measurement data instead of probabilistic methodologies. Advertisers can cross-validate the real impact of their TV campaigns by using single-source measurement data that provides a more accurate and complete understanding of audience behavior. This approach allows advertisers to see the direct impact of their campaigns on their target audience and make more informed decisions about future advertising strategies. By leveraging this approach amongst others, linear TV in the U.S. can remain competitive in the ever-changing media landscape.

### Linear TV can still have its day

Despite the challenges posed by streaming services, linear television networks in the U.S. can remain relevant and profitable by leveraging their strengths in creative opportunities, data analytics, and live events. There is a moment now for linear to re-capture the passion, taking the bull by the horns whilst streaming services seem to be re-assessing profitability, introducing "clever" "new" ideas like ... advertisements. By offering a wide range of advertising opportunities and leveraging accurate media measurement data, linear TV networks can attract advertisers and provide an efficient way to measure campaign effectiveness.

### ABOUT THE AUTHOR:

#### Daniel Tjondronegoro, Co-Founder of Beatgrid

Daniel Tjondronegoro has an international business background in the broadcasting and cross-media advertising industry. He is an expert in converting industry problems into innovative product-to-market fit solutions. His experience expands from creating and evolving adtech products to developing long-standing commercial partnerships across the US, EMEA, and APAC. Daniel started his career in the media and advertising industry in 2008, and in 2012 he got involved in the radio tech startup, MyRadio (the EU variant of Pandora radio). After a successful business venture at MyRadio, Daniel teamed up with Leon as a co-founder to build Beatgrid into what it is today.



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