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Challenge to marketers

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Industry analysis of TV commercials: Do companies reflect audience profiles?

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Abstract

The purpose of the article is to explore one of the Central and East European media markets to determine whether different audience profiles reflect the various industry structures of the commercials aired. The article is based on data from a complete television (TV) commercials data set ($n = 2,303,435$) from 2013. The results indicate that there are only minor differences between TV channels while audience targeting is only implemented by a very few thematic channels. The article contributes to media marketing management research by showing that the differences in the distribution of commercials among different TV channels are smaller than expected.

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Introduction

Media plays an important role in society. Television (TV) is generally recognized as the most powerful advertising media that delivers information and entertainment to immense audiences.¹ However, major changes in the quality and quantity of consumer information, because of new technologies, has led to the fragmentation of existing media and audiences.² With the emergence of new technologies and media, consumers change their media habits, switch to new alternatives and use more and more multiple-information channels.³ Consumers feel overwhelmed, mistreated and disrespected as they have a multiplicity of choices leading to a diminishing amount of trust and confidence.⁴ Therefore, marketers also need to change their behaviour in media planning to become more relevant and to precisely target fragmented audiences.² This problem is similar in all traditional media such as print, outdoor and radio, as well as in new media.^{5,6}

The media environment has become more complex with increased fragmentation and audience autonomy.⁷ Audience fragmentation signifies that the mass audience, which was once concentrated on three or four viewing options, has become more widely distributed.⁸ Media proliferation, driven largely by new technologies, fragmented the market into thousands of media vehicles. Still, 50 per cent of media budget is spent on TV advertising.⁹ Even though a fragmented market brings more

choices, greater opportunities and media channel selection to media consumers, it also presents a huge challenge to marketers. Communication is more effective when the marketing message is delivered via channels and with attributes preferred by targeted audiences, thus, the message needs to be adjusted accordingly.^{3,10}

Growth of niche TV channels

The Czech Republic, as well as the Baltic Countries, was one of the first Central and East European (CEE) countries to adopt governmental digital strategies (2004 and 2006) and fully switch to digital broadcasting later (2010 and 2012).¹¹ Digitalization of TV broadcasting has dramatically changed the whole industry. Mass audiences have been eroded in favour of specialized alternatives, and audience fragmentation is one of the most widely observed consequences of the digitalization process.^{12,13} In tandem with the infrastructure building, a shift towards direct-to-home services (satellite TV)^{14,15} was recorded in CEE countries. This sparked a massive expansion of TV channels, and commercial competition has since intensified. There are now more specialized and highly focussed niche channels with tightly defined target audiences. These niche channels are available to the general population (ie 98 per cent of the Latvian population can access the Viasat package of high-definition TV channels in their native language), even though they do not have a mass audience profile.

Cost efficiencies of targeting

Audience targeting is a process wherein marketers attempt to place their advertising message in a channel where it is most likely to be received by its target market members.¹⁶ The objective is to avoid the inefficiency of sending a marketing message to a non-targeted audience^{1,17} and, therefore, failing to increase the competitiveness of the company. The resources saved could be used for other types of marketing communication, and thus precise audience targeting is the most effective way to seek cost efficiency.¹⁸ Imprecise targeting also leads to an excessive amount of commercials on TV where consumers can be confused or overloaded.¹⁹

Gross rating points

Advertising time on TV channels is usually sold in gross rating point (GRP) packages. GRP measures the size of an audience reached by a specific media vehicle and equals the product of the percentage of the target audience reached by a commercial multiplied by the frequency of people viewing the advertisement in a given campaign. A GRP of 100 signifies a commercial reached the equivalent of the 100 per cent target audience. This means that all members of the targeted population have viewed the commercial and that 25 per cent of the population have also viewed four commercials.²⁰

Targeting and reach

The costs of advertising media are based on quantitative and qualitative factors (ie cost per person reached and overall reach potential). However, the total expenditure on producing and purchasing a commercial is not the most important media selection factor. Marketers prefer to consider the possibility of targeting a specific audience and audience reach (the number of people who will view a commercial).²¹ Thus, media owners need to precisely state the audience profiles of their TV channels and propose that they are able to deliver greater impact and efficiency among certain market segments.¹⁶ Furthermore, it is usually much cheaper to place a commercial on highly differentiated TV channels with a smaller but well-defined

audience than on undifferentiated and mass-oriented TV stations. Therefore, marketers should diversify between different media profiles and reflect their audiences in the media selection.²² If so, TV channels with different audience profiles need to have a different distribution of commercials among industries. Therefore, the following research question can be formulated:

Q1: Is there a difference between TV channels in the distribution of commercials from different industries?

Research design and methodology

NACE classification

As more than a half of all media expenditures is spent on TV advertising, this study is limited to TV advertising only. Complete data on TV commercials from 2013 was obtained from the Media research agency, which provides comprehensive media monitoring for the entire advertising market in the Czech Republic. Monitoring is carried out in accordance with product categorization based on the segmentation of nomenclature of economic activities for the European Union (Czech Republic) (NACE EU/CZ)²³ and slightly modified to better fit the media market. Data on commercials is categorized by the industry in a hierarchical tree. There are 23 sections on the main level aligning to the main industries. The industry tree consists of five further levels, where the final and most detailed categorization includes more than 1,500 different sections.

Four main commercials categories

Some industries are represented only by a few commercials. For example, the number of commercials aired from group A was only a few dozen, which is less than 0.1 per cent of the commercials aired on each channel. Most other groups also contain only a few commercials aired on each channel. In contrast, there are four groups that together represent almost 90 per cent of all commercials aired. These groups are C — Foods, Drinks, E — Other Processing Industry, L — Information and Communication Activities and M — Finance and Insurance. Therefore, the following analysis only focusses on these four main categories and their subclasses.

23 Czech TV channels

The data contains commercials from 23 Czech TV channels. The channels are represented by four different advertising sales agencies. The TV channels are shown in Table 1.

Table 1: Czech TV channels

Media Group	TV Channels
Media Master	ČT1, ČT2, ČT24, ČT Sport, TV Barrandov
Nova Group	Nova, Nova Cinema, TV Fanda
FTV Prima	Prima family, Prima COOL, Prima love
At Media	AXN, CS Film, CS Mini, Disney Channel, Film+, MGM, Minimax, National Geographic Channel, Óčko, Spektrum, Sport 1, Universal Channel

Table 2: Audience profiles for selected Czech TV channels

Channel name	Proclaimed focus and targeting
ČT1	<ul style="list-style-type: none"> ● Orientation to the Czech audience ● Journalism ● Emphasis on fun and especially original series production
ČT2	<ul style="list-style-type: none"> ● Alternative channel for different target groups ● Audience with high incomes and education, middle-aged men
ČT24	<ul style="list-style-type: none"> ● News channel broadcasting 24 hours a day ● Regular news service from the fields of politics, economy, regions, culture, sport ● Audience especially men with higher education, between 25 and 44 years old, with higher occupational status, experts from different fields, people who are described as 'early adopters'
ČT4	<ul style="list-style-type: none"> ● Sports channel broadcasting 24 hours a day ● Audience predominantly younger and middle-aged male population, higher education, actively pursuing an agenda, actively seeking information about sport
TV Barrandov	<ul style="list-style-type: none"> ● Channel for the entire family ● Market leader in the 4–9 target group
Nova	<ul style="list-style-type: none"> ● Mix of own strong local fiction and non-fiction productions ● News formats, daily soaps, romantic TV series, crime series, sitcoms, hobby magazines, cooking shows, TV film series depicting major social issues ● Leader in 15+
Nova Cinema	<ul style="list-style-type: none"> ● Films and series addressing 15–54 target group
TV Fanda	<ul style="list-style-type: none"> ● Top foreign series, shows, documentaries, sport events and movies targeted at young male viewers
Prima COOL	<ul style="list-style-type: none"> ● Movies, series, documentaries, sports and entertainment programs largely from abroad
Prima family	<ul style="list-style-type: none"> ● Fun for the whole family ● News, current affairs, movies, original series and foreign documentary and entertainment programs
Prima love	<ul style="list-style-type: none"> ● Channel for all women (Women's Club) who want to have fun while watching the best series, shows and movies
AXN	<ul style="list-style-type: none"> ● Action channel — popular Hollywood premiere series, exclusive sci-fi, adventure and action movies ● Attractive to groups of young active people who like to follow the current trends
CS Film	<ul style="list-style-type: none"> ● Czech and Slovak films ● 186 films a month ● Series of documentary films, magazines, films about films
Disney Channel	<ul style="list-style-type: none"> ● Family entertainment — Walt Disney ● Mix of animated and live-action series, movies, music videos ● Focus primarily on boys and girls aged 2 to 16 years old
CS Mini	<ul style="list-style-type: none"> ● Children's TV channel (3–12) ● Czech and Slovak children movies and educational series
Film+	<ul style="list-style-type: none"> ● Czech film classics and popular world cinema movies ● The best of contemporary European works with quality Czech dubbing

Table 2: (Continued)

Channel name	Proclaimed focus and targeting
MGM	<ul style="list-style-type: none"> Selected films from the MGM film library, the largest modern film library in the world
Minimax	<ul style="list-style-type: none"> Children's TV channel Cartoon and animated shows and series in the Czech language Mainly focused on preschool and school age children
National Geographic Channel	<ul style="list-style-type: none"> Documentaries that offer a whole new view of science, technology, history, wildlife and many other topics For curious viewers who are interested in the world around us
Óčko	<ul style="list-style-type: none"> First Czech thematic television focusing on contemporary music and lifestyle Emphasis on contemporary modern Czech and Slovak music and current foreign hits
Spektrum	<ul style="list-style-type: none"> Documentary and lifestyle channel Documentaries in the genre panels focused on nature, science, lifestyle, history, culture and travel
Sport 1	<ul style="list-style-type: none"> Strongly profiled sports channel Shows the biggest European football competitions, NHL, boxing, tennis Addresses the specific, difficult to hit target group of active young people
Universal Channel	<ul style="list-style-type: none"> Award-winning series, blockbuster movies

Some TV channels were excluded from the analysis as they were discontinued or transformed into a different channel in 2013. The data set includes 2,303,435 commercials aired in 2013. Table 2 shows the audience profiles of these selected TV channels published on their websites.

TV commercials aired by channel

The data was transformed into the contingency table where the rows represent each TV channel and the columns the number of commercials from a given industry on a selected TV channel. As the number of commercials aired on TV channels differs by orders of magnitude, the table was recalculated to relative shares (the sum of each row is 100 per cent, which represents all commercials aired on a given channel).

Relative share by channel

Each TV channel is described by a series of numbers representing the relative share of the commercials aired on a given channel. A comparison of the rows then enabled the authors to answer the research question. However, a methodology-related question arises about the selection of the correct method for comparison. To equate the data as statistical distributions is questionable as the data is not continuous, that is, the Kolmogorov — Smirnov test for the equality of continuous distributions cannot be used, and contains many values close to 0. The χ^2 goodness of fit test is also questionable. The data is perceived as vectors representing each TV channel and the cosine similarity measurement was computed to quantify the similarity (or dissimilarity) of the channel vectors. Cosine similarity measures the similarity between two vectors by finding the cosine value of the angle between them. For a pair of A and B vectors, the

cosine similarity is given by:

$$\text{similarity}(\vec{a}, \vec{b}) = \frac{\vec{a} \times \vec{b}}{|\vec{a}| |\vec{b}|} \quad (1)$$

Similarity and difference

The cosine of the angle between two vectors determines whether two vectors are roughly pointing in the same direction. Thus, the cosine of the angle is a measure of similarity between vectors. Computed similarity ranges from -1 (meaning exactly the opposite) to 1 meaning exactly the same, with 0 usually indicating independence and in-between values indicating intermediate similarity or dissimilarity. The cosine angle between 0 and 1 means that the vectors are related in some way. Cosine similarity has been widely used in high-dimensional data analysis.²⁴ The analysis was conducted using Rapidminer software, which is an open-source tool for data mining.²⁵

Industries and sub-industries

Results

The four industries comprised 23 economic activities representing almost 90 per cent of all commercials aired. These sections are C — Foods, Drinks, E — Other Processing Industry, L — Information and Communication Activities and M — Finance and Insurance. These four categories consist of 27 subclasses (sub-industries), which were further analyzed. Subclasses were compared using a cosine similarity measure. Each TV channel is represented by a vector that describes the distribution of commercials aired among 27 sub-industries.¹⁴

Two groups of channels

Table 3 shows the cosine similarity between each channel. Cells were shaded to better represent the values. Values closer to the value of 1 are lighter, and values approaching the value of 0 are darker.

The results indicate that there are two specific groups of channels. One group consists of ČT sport, ČT1, ČT2 and ČT24 channels. These channels belong to the national broadcasting company (Czech TV). All four channels are serviced by the same media agency and commercials on these public channels are limited by law (since October 2011, commercials on public channels are restricted to 0.5 per cent of the daily broadcasting time). A second group consists of the Disney Channel, Minimax and CS Mini. These three channels are very similar to each other (cosine similarity ≥ 0.93), although specific in comparison with other channels. These three channels focus on children as their target audience, and the distribution of commercials reflects such specificity.

Similar commercials, different audiences

The other TV channels are quite similar with the small exception of a new channel, TV Fanda, which mainly targets young men. Such similarity was not expected as the channels are represented by several media agencies. Moreover, some channels with completely different audience profiles are very similar in terms of the distribution of commercials (channels from the AT Media group are perceived as ‘niche’ or ‘selective’ channels, eg Óčko is a music channel, AXN and Film+ focus on movies and National Geographic, and Spectrum and Discovery are science, travel and educational channels).

Table 3: Cosine similarity values between TV Channels in second-level sub-categories of the four main industries advertised (*C, E, L, M*)

		Media Master					Nova Group			FTV Prima		
		ČT sport	ČT1	ČT2	ČT24	TV Barrandov	Nova	Nova Cinema	TV Fanda	Prima	Prima COOL	Prima love
Media Master	ČT sport		0.55	0.66	0.20	0.49	0.50	0.49	0.70	0.39	0.41	0.37
	ČT1	0.55		0.96	0.75	0.53	0.53	0.50	0.57	0.49	0.47	0.48
	ČT2	0.66	0.96		0.73	0.49	0.51	0.50	0.62	0.46	0.46	0.45
	ČT24	0.20	0.75	0.73		0.03	0.04	0.03	0.08	0.02	0.02	0.02
Nova Group	TV Barrandov	0.49	0.53	0.49	0.03		0.97	0.96	0.81	0.95	0.95	0.94
	Nova	0.50	0.53	0.51	0.04	0.97		1.00	0.89	0.98	0.98	0.97
	Nova Cinema	0.49	0.50	0.50	0.03	0.96	1.00		0.89	0.98	0.98	0.97
	TV Fanda	0.70	0.57	0.62	0.08	0.81	0.89	0.89		0.82	0.83	0.81
FTV Prima	Prima	0.39	0.49	0.46	0.02	0.95	0.98	0.98	0.82		1.00	1.00
	Prima COOL	0.41	0.47	0.46	0.02	0.95	0.98	0.98	0.83	1.00		1.00
	Prima love	0.37	0.48	0.45	0.02	0.94	0.97	0.97	0.81	1.00	1.00	
AT Media	AXN	0.50	0.45	0.48	0.05	0.90	0.95	0.96	0.85	0.94	0.96	0.94
	CS Film	0.56	0.48	0.50	0.04	0.91	0.96	0.96	0.88	0.94	0.95	0.94
	CS Mini	0.33	0.41	0.35	0.02	0.87	0.76	0.75	0.51	0.74	0.74	0.72
	Disney Ch.	0.33	0.43	0.39	0.03	0.93	0.87	0.86	0.62	0.88	0.89	0.87
	Film+	0.50	0.43	0.45	0.02	0.90	0.94	0.95	0.86	0.94	0.96	0.95
	MGM	0.42	0.38	0.40	0.03	0.87	0.91	0.93	0.78	0.92	0.94	0.92
	Minimax	0.30	0.43	0.39	0.02	0.93	0.89	0.88	0.64	0.91	0.92	0.90
	Nat. Geo. Ch.	0.53	0.44	0.45	0.02	0.90	0.94	0.95	0.87	0.94	0.95	0.94
	Óčko	0.58	0.54	0.58	0.07	0.91	0.96	0.96	0.91	0.95	0.96	0.94
	Spektrum	0.67	0.50	0.56	0.07	0.85	0.92	0.92	0.93	0.88	0.90	0.88
	Sport 1	0.62	0.44	0.50	0.02	0.87	0.93	0.94	0.92	0.90	0.92	0.90
	Universal Ch.	0.49	0.46	0.47	0.03	0.93	0.97	0.97	0.86	0.97	0.98	0.97

Table 3: (Continued)

		AT Media											
		AXN	CS Film	CS Mini	Disney Ch.	Film+	MGM	Minimax	Nat. Geo. Ch.	Óčko	Spektrum	Sport 1	Universal Ch.
Media Master	ČT sport	0.50	0.56	0.33	0.33	0.50	0.42	0.30	0.53	0.58	0.67	0.62	0.49
	ČT1	0.45	0.48	0.41	0.43	0.43	0.38	0.43	0.44	0.54	0.50	0.44	0.46
	ČT2	0.48	0.50	0.35	0.39	0.45	0.40	0.39	0.45	0.58	0.56	0.50	0.47
	ČT24	0.05	0.04	0.02	0.03	0.02	0.03	0.02	0.02	0.07	0.07	0.02	0.03
	TV Barrandov	0.90	0.91	0.87	0.93	0.90	0.87	0.93	0.90	0.91	0.85	0.87	0.93
Nova Group	Nova	0.95	0.96	0.76	0.87	0.94	0.91	0.89	0.94	0.96	0.92	0.93	0.97
	Nova Cinema	0.96	0.96	0.75	0.86	0.95	0.93	0.88	0.95	0.96	0.92	0.94	0.97
	TV Fanda	0.85	0.88	0.51	0.62	0.86	0.78	0.64	0.87	0.91	0.93	0.92	0.86
FTV Prima	Prima	0.94	0.94	0.74	0.88	0.94	0.92	0.91	0.94	0.95	0.88	0.90	0.97
	Prima COOL	0.96	0.95	0.74	0.89	0.96	0.94	0.92	0.95	0.96	0.90	0.92	0.98
	Prima love	0.94	0.94	0.72	0.87	0.95	0.92	0.90	0.94	0.94	0.88	0.90	0.97
AT Media	AXN		0.99	0.68	0.84	0.99	0.99	0.86	0.98	0.97	0.96	0.97	0.99
	CS Film	0.99		0.66	0.81	0.98	0.96	0.82	0.99	0.96	0.97	0.98	0.99
	CS Mini	0.68	0.66		0.95	0.65	0.68	0.93	0.64	0.68	0.58	0.61	0.70
	Disney Ch.	0.84	0.81	0.95		0.81	0.84	0.99	0.80	0.82	0.72	0.76	0.85
	Film+	0.99	0.98	0.65	0.81		0.97	0.83	0.99	0.96	0.96	0.98	0.99
	MGM	0.99	0.96	0.68	0.84	0.97		0.86	0.96	0.92	0.92	0.93	0.98
	Minimax	0.86	0.82	0.93	0.99	0.83	0.86		0.81	0.84	0.73	0.77	0.87
	Nat. Geo. Ch.	0.98	0.99	0.64	0.80	0.99	0.96	0.81		0.95	0.96	0.98	0.99
	Óčko	0.97	0.96	0.68	0.82	0.96	0.92	0.84	0.95		0.96	0.97	0.97
	Spektrum	0.96	0.97	0.58	0.72	0.96	0.92	0.73	0.96	0.96		0.99	0.95
	Sport 1	0.97	0.98	0.61	0.76	0.98	0.93	0.77	0.98	0.97	0.99		0.97
	Universal Ch.	0.99	0.99	0.70	0.85	0.99	0.98	0.87	0.99	0.97	0.95	0.97	

Analysing at third category level

Such results indicate that the determining factor that influences the distribution of commercials among industries is neither the audience profile nor the advertising sales agency representing the channel. The analysis of four main industry categories and their second-level sub-categories did not provide any conclusive results. Therefore, the third category level (consisting of 79 different sub-industries) has been analyzed. Table 4 shows the cosine similarity between each channel. The cells are again shaded to better represent the values. Values closer to the value of 1 are lighter, and values approaching the value of 0 are darker.

Delving deeper into the hierarchical structure of advertisement sub-categories brought no change to the previous results. The conclusion remains that there are very few differences between Czech TV channels in the distribution of commercials from different industries.

Three groups of differentiation

Discussion and conclusion

The results indicate that there are smaller differences than expected in the distribution of commercials among the TV channels. Only three main groups of channels based on TV commercial differentiation were identified. The first group consists of the four channels of the Czech national broadcasting company — ČT1, ČT2, ČT sport and ČT24. These channels are different in their published audience profiles — ČT24 is a news channel, ČT2 represents the ‘alternative stream’ and ČT sport is a sports channel. They are more similar to each other than to the other channels in the research sample, although not because of different audience profiles, but mainly because of the legal restrictions on commercials on these national and publicly financed channels.

Thematic and diverse channels

The second identified group of channels includes the children’s channels — CS Mini, Minimax and Disney Channel. Children are a very specific audience, and this is reflected in the distribution of the commercials aired. This supports the hypothesis that thematic channels have a different distribution of commercials to address their specific audience. The last group of all remaining channels consists of channels with very diverse characteristics and audience profiles. Nova and Prima family are mass channels (with the highest share of the TV-viewing population) with full coverage of the Czech population. TV Fanda and Prima COOL focusses on young men, whereas Prima LOVE focusses on the female audience. Nova Cinema, AXN, CS Film and Film+ are movie channels and the remainder channels are thematic with various focusses and a share of less than 1 per cent of the audience. Nevertheless, the results indicate that there is almost the same distribution of commercials across the industries on these various channels.

Benefits of targeting

The first reason is that companies do not take the different audience profiles into account when deciding to place a commercial. Targeting has benefits for both viewers and advertisers. As targeting enables advertisers to determine user preferences and purchasing habits more easily, the ads will be more interesting to consumers. With targeted advertising, firms advertise more to consumers who have a strong preference for their product. This allows the company to eliminate advertising to consumers

Table 4: Cosine similarity values between each TV channel in third-level sub-categories of the four main industries advertised (*C, E, L, M*)

		Media Master					Nova Group			FTV Prima		
		ČT sport	ČT1	ČT2	ČT24	TV Barrandov	Nova	Nova Cinema	TV Fanda	Prima	Prima COOL	Prima love
Media Master	ČT sport		0.49	0.61	0.18	0.44	0.50	0.48	0.71	0.42	0.42	0.40
	ČT1	0.49		0.91	0.78	0.43	0.43	0.41	0.50	0.41	0.39	0.41
	ČT2	0.61	0.91		0.76	0.42	0.45	0.43	0.55	0.38	0.39	0.37
	ČT24	0.18	0.78	0.76		0.03	0.04	0.03	0.06	0.01	0.02	0.02
Nova Group	TV Barrandov	0.44	0.43	0.42	0.03		0.96	0.94	0.80	0.94	0.94	0.93
	Nova	0.50	0.43	0.45	0.04	0.96		1.00	0.88	0.97	0.98	0.97
	Nova Cinema	0.48	0.41	0.43	0.03	0.94	1.00		0.88	0.98	0.98	0.97
	TV Fanda	0.71	0.50	0.55	0.06	0.80	0.88	0.88		0.82	0.82	0.81
FTV Prima	Prima	0.42	0.41	0.38	0.01	0.94	0.97	0.98	0.82		1.00	1.00
	Prima COOL	0.42	0.39	0.39	0.02	0.94	0.98	0.98	0.82	1.00		0.99
	Prima love	0.40	0.41	0.37	0.02	0.93	0.97	0.97	0.81	1.00	0.99	
AT Media	AXN	0.52	0.37	0.42	0.03	0.88	0.95	0.96	0.85	0.96	0.97	0.95
	CS Film	0.57	0.41	0.42	0.02	0.90	0.96	0.96	0.88	0.95	0.96	0.95
	CS Mini	0.17	0.21	0.26	0.02	0.82	0.68	0.65	0.43	0.65	0.67	0.64
	Disney Ch.	0.23	0.27	0.30	0.04	0.90	0.82	0.81	0.57	0.83	0.85	0.82
	Film+	0.51	0.36	0.39	0.01	0.89	0.95	0.95	0.86	0.96	0.96	0.95
	MGM	0.44	0.32	0.35	0.01	0.87	0.92	0.94	0.79	0.94	0.95	0.94
	Minimax	0.22	0.29	0.30	0.02	0.91	0.85	0.84	0.58	0.87	0.89	0.86
	Nat. Geo. Ch.	0.55	0.39	0.41	0.02	0.89	0.94	0.95	0.87	0.95	0.95	0.94
	Óčko	0.61	0.47	0.53	0.07	0.88	0.95	0.95	0.91	0.94	0.95	0.93
	Spektrum	0.69	0.41	0.48	0.03	0.85	0.92	0.92	0.93	0.89	0.90	0.88
	Sport 1	0.65	0.40	0.47	0.02	0.86	0.93	0.93	0.92	0.91	0.92	0.90
	Universal Ch.	0.51	0.39	0.40	0.02	0.91	0.96	0.97	0.85	0.97	0.98	0.97

		AT Media											
		AXN	CS Film	CS Mini	Disney Ch.	Film+	MGM	Minimax	Nat. Geo. Ch.	Óčko	Spektrum	Sport 1	Universal Ch.
Media Master	ČT sport	0.52	0.57	0.17	0.23	0.51	0.44	0.22	0.55	0.61	0.69	0.65	0.51
	ČT1	0.37	0.41	0.21	0.27	0.36	0.32	0.29	0.39	0.47	0.41	0.40	0.39
	ČT2	0.42	0.42	0.26	0.30	0.39	0.35	0.30	0.41	0.53	0.48	0.47	0.40
	ČT24	0.03	0.02	0.02	0.04	0.01	0.01	0.02	0.02	0.07	0.03	0.02	0.02
Nova Group	TV Barrandov	0.88	0.90	0.82	0.90	0.89	0.87	0.91	0.89	0.88	0.85	0.86	0.91
	Nova	0.95	0.96	0.68	0.82	0.95	0.92	0.85	0.94	0.95	0.92	0.93	0.96
	Nova Cinema	0.96	0.96	0.65	0.81	0.95	0.94	0.84	0.95	0.95	0.92	0.93	0.97
	TV Fanda	0.85	0.88	0.43	0.57	0.86	0.79	0.58	0.87	0.91	0.93	0.92	0.85
FTV Prima	Prima	0.96	0.95	0.65	0.83	0.96	0.94	0.87	0.95	0.94	0.89	0.91	0.97
	Prima COOL	0.97	0.96	0.67	0.85	0.96	0.95	0.89	0.95	0.95	0.90	0.92	0.98
	Prima love	0.95	0.95	0.64	0.82	0.95	0.94	0.86	0.94	0.93	0.88	0.90	0.97
AT Media	AXN		0.98	0.61	0.81	0.98	0.99	0.83	0.98	0.96	0.96	0.97	0.99
	CS Film	0.98		0.58	0.77	0.98	0.96	0.79	0.99	0.95	0.97	0.97	0.99
	CS Mini	0.61	0.58		0.94	0.59	0.61	0.91	0.58	0.59	0.52	0.54	0.61
	Disney Ch.	0.81	0.77	0.94		0.78	0.82	0.99	0.77	0.77	0.70	0.72	0.81
	Film+	0.98	0.98	0.59	0.78		0.96	0.80	0.99	0.95	0.95	0.97	0.99
	MGM	0.99	0.96	0.61	0.82	0.96		0.84	0.96	0.92	0.92	0.93	0.98
	Minimax	0.83	0.79	0.91	0.99	0.80	0.84		0.78	0.79	0.71	0.73	0.84
	Nat. Geo. Ch.	0.98	0.99	0.58	0.77	0.99	0.96	0.78		0.94	0.96	0.98	0.99
	Óčko	0.96	0.95	0.59	0.77	0.95	0.92	0.79	0.94		0.96	0.98	0.96
	Spektrum	0.96	0.97	0.52	0.70	0.95	0.92	0.71	0.96	0.96		0.99	0.95
	Sport 1	0.97	0.97	0.54	0.72	0.97	0.93	0.73	0.98	0.98	0.99		0.96
	Universal Ch.	0.99	0.99	0.61	0.81	0.99	0.98	0.84	0.99	0.96	0.95	0.96	

Volume exceeds targeting capability

Targeting and cost trade-off

Adjusting the media marketing processes

whose preferences do not match a product's attributes.² As a result, the targeting of advertising leads to higher profits. Companies are well aware that precise audience targeting is the most effective way to (cost) efficiency¹⁸ and, therefore, to the overall competitiveness of the company.

The reason is that there is simply too much advertising on TV, and it is not possible to administer the broadcasting of so many commercials on an individual level. The number of TV channels has more than doubled in recent years (because of the digitalization of TV). Even if the amount of time dedicated for commercials is limited by law (not more than 0.5 per cent of broadcasting time for Czech national TV company, and not more than 12 min per hour for commercial TV companies), there are almost 3 million commercials aired per year (2013, Czech Republic). Therefore, media companies seek to sell whole packages of advertising space.

This reduces the administrative overhead and enables media companies to include less attractive channels or broadcasting times in the bundle. This creates a trade-off between GRP maximization (high levels of population reach), more precise targeting and CPP minimization (cost per point — the cost of reaching one rating point of the targeted audience). The marketers demand a specific time on a specific TV channel to reach the targeted audience — however, account managers push hard to get the lowest CPP possible. To get lower CPP, the companies must accept less attractive times or channels with an unsuitable audience, and, thus, their targeting is less effective. This is further influenced by the constantly accelerating pace of processes and contracts between companies and media agencies (eg, former 3–5-year advertising tenders are now a maximum of 1–2 years). These reasons have led to a proportional change in the advertising spending from TV, radio and other traditional media to new electronic media.^{26–28} These new media vehicles provide precise targeting based on behavioural characteristics and also provide more transparency in terms of efficiency.²⁹

The proliferation and fragmentation of the media has led the advertising market into this plight. Many new TV channels have emerged, and more companies are willing to target their audiences. The media market is on the edge of manageability. The pressure on low CPP and bundling advertising space causes unreasonable ineffectiveness when targeting suitable audiences. There should be a debate initiated to adjust the media marketing processes to comply with corporate communication strategies and to support companies' business objectives once again.

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