ADSPHERE REPORTS
IMPRESSIVE GROWTH FOR BRAND-DIRECT & DIRECT RESPONSE INDUSTRY

AdSphere™

DIRECT RESPONSE
The Sleeping Giant

DRMetrix, the industry's leading television research company, has released a surprise study that reveals the size of brand-direct and direct response television industry to be many times larger than previously thought.

DRMetrix is the brainchild of Joseph Gray, a 30-year television advertising veteran who has long thought that the size of the brand-direct and direct response television industry has been under-estimated by mainstream television research companies. The ability to measure the size of the industry alluded him as research companies were unwilling to segment 'direct response' commercials from traditional branded commercials.

"Back in 2003, a group of TV professionals joined together with the Direct Marketing Association (DMA) to form the DMA Broadcast Council", Gray recalls. "I was invited to co-chair the Research Committee. We worked on a whitepaper to document solutions that would enable the direct response industry to quantify itself with credible research. We were hoping to convince the television research companies to start flagging commercials that included 1-800 numbers and web addresses but they were unwilling to do so."

Nearly a decade later, Gray mustered the resources and started DRMetrix to tackle the problem. Prior to the beginning of the 2015 broadcast year, the company deployed its AdSphere™ monitoring platform which today monitors over 100 national cable networks 24/7/365. AdSphere™ was designed using the latest "automated content recognition" (ACR) technology along with advanced pattern and optical character recognition technologies to sniff out any television ad or program that includes direct response attributes such as 800 numbers, web addresses, SMS, etc. Millions of dollars in investment and four years later, the moment of truth has finally arrived.

AdSphere projections for the 2016 broadcast year are the result of monitoring 92 national cable networks. AdSphere identified over 3,500 brand-direct and direct response brands which have included some combination of 800, Web, Mobile App Response and/or SMS allowing consumers to directly respond. In addition to detecting over 89,000 infomercial (28.5 minute) airings, AdSphere detected an astonishing 7.92 million spots with an average run time of 39.65 seconds up to a maximum of 5 minutes in duration. This averages out to 6.49 minutes of direct response running across the networks every hour, every day, 365 days a year. AdSphere has calculated the valuation of this inventory at $6.4 billion dollars applying average direct response rates and weighting the value of spots running across two different types of national cable ad breaks.

Gray projects that AdSphere™ estimates for network cable direct response valuation are 3-4 times greater than what leading television research companies have reported based on differing philosophies of what constitutes 'brand-direct' and 'direct response' vs. 'brand' the lines of which have blurred over the years. DRMetrix presents the following facts for the industry to consider:

AdSphere™
2016 short form media valuation by DR classification
(across 92 national cable networks)

Short Form Product (call to order)	$315,559,760.19
Lead Generation (unique 800 or web/promo code tracking)	$1,214,017,066.86
Brand-Direct (Using vanity 800 numbers)	$2,093,214,168.94
Brand-Direct (straight web, SMS, and/or mobile app response)	$2,813,172,645.74
Total	*$6,435,963,641.73

To learn more about AdSphere, please click here.

*This number does not include broadcast, satellite, local cable direct response expenditures or 28.5 infomercial valuations.