

## Don't Dismiss Social Media's Impact on TV Ratings Yet



By Miklos Sarvary , Carson Family Professor of Business at Columbia Business School

**NBCUniversal says social media is “not yet a game changer” in influencing television viewing. But its impact is far from insignificant.**

Strong words were used by Alan Wurtzel, head of research at NBCUniversal, about the impact of social media on television viewing habits, which will no doubt put a dent in social media ad budgets, already under pressure. As reported by a recent [FT article](#), based on the results of analysis conducted on Comcast's airing of the Sochi Winter Olympics, Mr Wurtzel claims that social media had little impact in augmenting the effect of TV ratings. "The emperor wears no clothes" were the words he used to summarise his verdict.

Comcast's own data seem to be at odds with this diagnosis, however: 19% of viewers posted to social media about the games during the 18 day event, which translated into 150 million 'additional' people exposed to such posts

on Facebook and 23 million on Twitter. This compared to about 21 million TV viewers per day during the Olympics.

While there is no doubt that TV's impact is much higher, social media's impact seems far from being insignificant. And this is after only about a year of experimentation with the whole concept of connecting the two entertainment platforms. One should also speculate that the 19% posting on social media were younger people. No doubt, this group will grow larger and their social media activity will become more intense over time. This effect alone appears to be significant. Bottom line: I wouldn't short social media stocks (further) just yet...at least not based on this analysis!

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