Shopping channels tune in to musical acts

By Alana Semuels, Los Angeles Times Staff Writer
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Move over, MTV. Here comes QVC.

That's right music fans. In between the blond women selling jewelry and the dermatologists shilling skin-care products, television retail channels are booking live musical acts -- and not off-brands, either. Think LeAnn Rimes, Barry Manilow and the Goo Goo Dolls.

Manilow is preparing for his second QVC gig this fall to promote his new CD, "The Greatest Songs of the Seventies." His first appearance, to promote "The Greatest Songs of the Sixties," resulted in 43,000 CDs being sold in one hour, according to QVC.

It's just one way the home-shopping channels are trying to change their image. As network and cable TV shows become laden with ads and branded products, shopping channels such as QVC and HSN are going in the opposite direction -- attempting to attract new viewers by working more content into their shows and making them seem less about selling.

"Both QVC and HSN are trying to decrease the average age of people buying, so they're going to add younger, hipper kinds of items," said April Horace, a Denver-based analyst at Janco Partners Inc.

QVC's core demographic is a 50-year-old affluent woman who enjoys shopping, and about 85% of its customers are female, said Doug Rose, QVC's vice president of merchandising brand development. About 7.5 million households have made a purchase on QVC.

But QVC and HSN reach the 90 million homes that receive basic cable, and the channels are inviting celebrities such as Paula Abdul to talk about products and artists such as the Goo Goo Dolls to broaden their appeal. Adding well-known products and performers can help attract new viewers in a way that introducing an unfamiliar jewelry line, for example, would not.

HSN, which is in the midst of a makeover as it celebrates its 30th anniversary, is inviting celebrities including actress Tori Spelling and chef Wolfgang Puck to explain their products.

In Spelling's case, it's a jewelry line. Puck talks about a certain dish and promotes the products necessary to make the dish.

Bill Brand, HSN senior vice president of programming, says it's part of a focus on "lifestyle" programming -- that is, shows that integrate a story with the shopping.

"We want to be more than just another marketing vehicle," Brand said.

In May, before Paul McCartney's new CD went on sale, HSN viewers heard exclusive cuts from the album and saw a behind-the-scenes special about its creation during a special "listening party."

The partnership between the channels and celebrities can work especially well for musical artists, who are struggling to sell CDs to a younger generation that tends to buy individual tracks rather than whole albums.

"We saw a void in the industry," said Rich Yoegel, QVC's director of merchandising. "We figured that we could serve that void."

The channel has ramped up its pursuit of musical artists in the last year, selling CDs by artists including Alabama, Elton John, Carly Simon, Earth Wind & Fire, Tony Bennett, Chaka Kahn and Neil Diamond. It's booked Rimes for October, in addition to Manilow.

The artists might not be the ones that would motivate a teenage girl to stay home on a special "listening party."
Saturday night and watch QVC.

But they're likely familiar to many people in their 30s and 40s -- both Alabama and the Goo Goo Dolls released big hits in the 1990s. Whoever is watching seems to be buying.

"They figured out a way to maximize sales," said Tom Corson, executive vice president and general manager of Manilow's label, RCA Music Group. Corson said sales from QVC accounted for 25% of the total sales during the week Manilow's album debuted.

There's growing potential for sales as QVC and HSN venture into remote shopping, which allows subscribers to use their remote controls to purchase merchandise instead of ordering by phone.

HSN announced a deal with EchoStar Communications Corp. in May to try out remote shopping, and analysts say QVC will likely follow if the partnership is successful.

West Chester, Pa.-based QVC, which is owned by the Liberty Media Corp., is a $7-billion company, said Rose, the merchandising vice president.

HSN is owned by Barry Diller's IAC/InterActiveCorp, which also owns Ticketmaster and websites including Evite.com and Match.com. In 2006, IAC's retailing unit reported sales of $3.29 billion.

Home shopping channels are among the few considered immune to digital recording devices such as TVs. That's because people who record shopping shows and watch them later might find the items they want are sold out. So there's an incentive to watch live.

Artists are smart to embrace this form of distribution, said Sucharita Mulpuru, an analyst with Forrester Research.

"There's a snobbery -- a lot of companies think that TV shopping is beneath them," Mulpuru said. "But there are a lot of companies that shouldn't have ignored this channel."

Overcoming ingrained perceptions, though, could take a while.

Jeff Kay, a 44-year-old from Scranton, Pa., said he was shocked when he was flipping through the channels and saw the Goo Goo Dolls on QVC. He's been a fan of the band for years, he said, but was disappointed to see the group on the channel where "your aunt goes to buy sterling silver bracelets."

He remembers seeing the Goo Goo Dolls perform in Atlanta before the group had sold millions of albums.

"They used to be a cool band," he said. "But QVC is about as unhip a venue as you can get."

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