



Investigating the Industry Opportunity for ...

Standardized Cross-Platform TV/Video Ad Impressions

Prepared By:

Artie Bulgrin

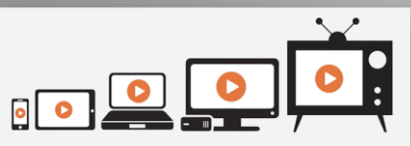
Media Research Consultant &
EVP, Strategy & Insights at MediaScience



ArtieBulgrin@Optimum.net





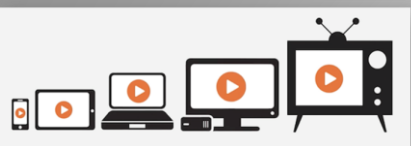


Introduction



TV/Video Ad Measurement Has Evolved

- **1987:** Nielsen People Meter is launched
 - *Average Minute Audience becomes new standard for national TV ad measurement*
- **2009:** Nielsen C3 Ratings Launch
 - *Average of minutes with commercial content becomes new standard*
- **2010-12:** Nielsen OCR (DAR) and comScore vCE launch
 - *Ability to model demographics for digital ad impressions*
- **2017:** Nielsen Total Audience Measurement Launches with Total Ad Ratings
 - *TV content and ads measured separately*
 - *Ability to measure net reach across TV and Online*
 - *Maintains separate methodology for ads on TV and digital platforms*



Introduction

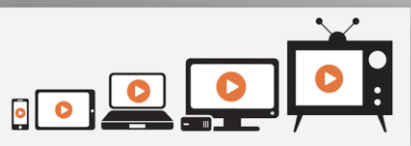


➤ **2017:** MRC Introduces Digital Audience-Based Measurement Standards



- *“... to develop and encourage the marketplace adoption of new industry measurement standards designed both to improve the overall state of digital media measurement, and to facilitate the creation of effective cross-media measurement opportunities.”*
- Requirement that duration weighting be applied to digital video ad impression measurement when used in cross media comparisons and analyses.



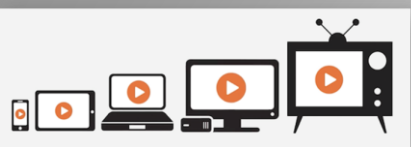


Background & Objective



As part of its Cross-Platform Measurement initiative, CIMM is interested in understanding how, when and whether or not the TV industry will consider moving to buying/selling ads based on ratings for individual ads or spots.

- Interview influential decision makers and thought leaders in media and advertising
- Assess the current state of TV/Video ad measurement
- Identify advantages, challenges and industry support for moving to a standardized approach for TV/Video ad impressions.

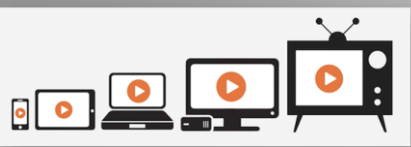


Methodology



- ❑ Confidential interviews with executives representing key constituencies of the industry
- ❑ 27 Interviews were completed
- ❑ Only aggregate insights reported
- ❑ Six Likert-type scaled questions with a 4-point scale – no neutral response.
- ❑ Open-ended questions in four key areas:
 1. *Advantages, disadvantages and barriers to adoption*
 2. *Measurement considerations and concerns*
 3. *Impact on resources, business and the industry*
 4. *Steps necessary to bring change about*

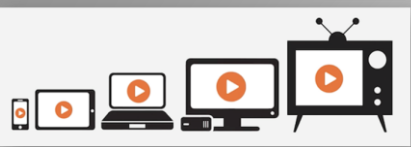
Company Type	Count of Respondents
Media: TV-Centric	7
Media: Digital-Centric	3
Advertiser	2
Agency	4
Measurement/Analytic Firm	5
Industry Association	6
Total Completed	27



Current State of Measurement



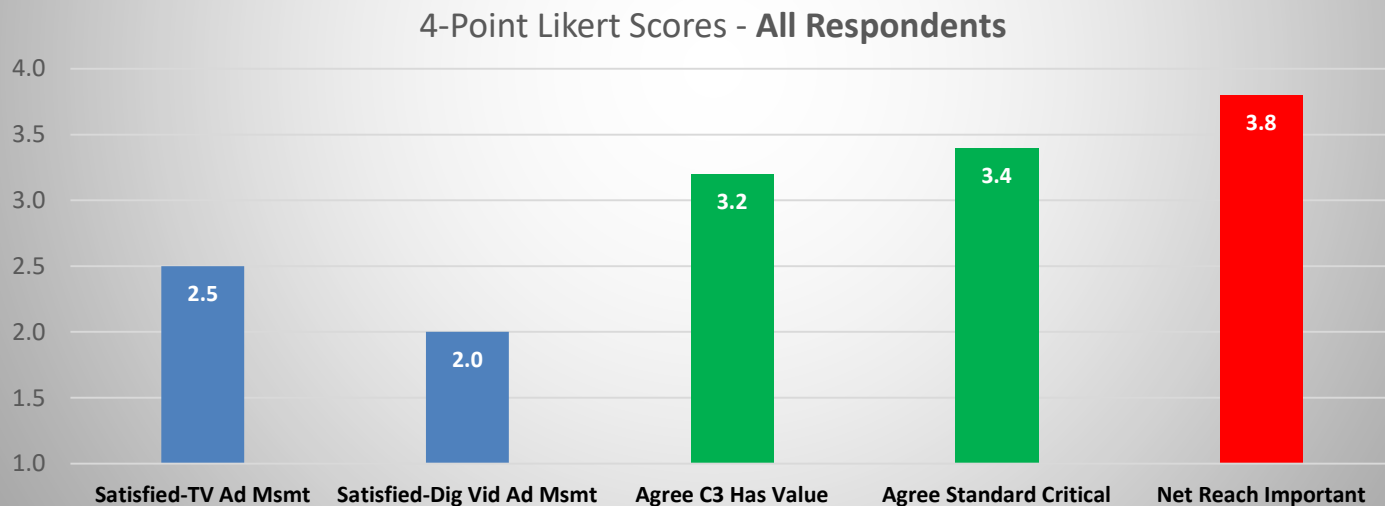
1. How satisfied are you with the state of linear TV ad measurement today?
(4=Very Satisfied)
2. How satisfied are you with the state of digital video ad measurement today?
(4=Very Satisfied)
3. The traditional ratings currency for linear TV advertising (e.g. C3) still has value?
(4=Strongly Agree)
4. It is critical that the advertising industry have a standardized currency for video advertising across all distribution platforms?
(4=Strongly Agree)
5. How important is it to be able to combine audiences for a particular ad across all distribution channels, with the ability to accurately measure net reach, exclusive reach and duplication of audiences across all platforms?
(4=Very Important)

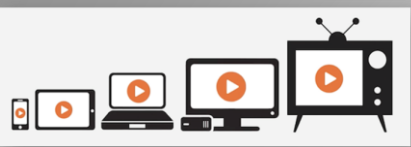


Current State of Measurement



1. Perception of TV/Video Ad Measurement is Fair-to-poor
2. C3 Still Has Value (within its scope)
3. A Standard Cross-Platform Currency is important, but not necessarily critical (now)
4. An accurate measure of net reach and duplication is critical!





Current State of Measurement



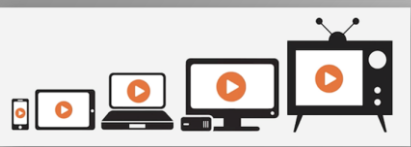
A Standard Cross-Platform Currency is important, but not necessarily critical (now) ...

TRADITIONAL VIEW – *Strongly agree that a standard currency is critical*

- “The industry will benefit from simplicity vs. duplicity”
- “Currency and measurement can’t be separated”
- “Marketers have to go where the consumer is going”
- “We simply can’t answer cross-platform questions today”

CONTEMPORARY VIEW – *Somewhat agree that a standard currency is critical*

- “Yes, we need consistency, but ‘currency’ is a strong word”
- “Different media need to be measured differently”
- “The word ‘currency’ is too rigid”
- “There are no longer any standard metrics in media”



Current State of Measurement



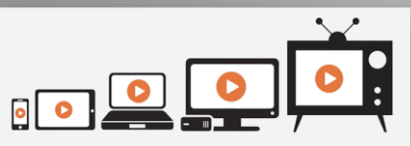
An accurate measure of net reach and duplication is critical!

“This is more important than currency because the capability doesn’t exist. We need a system of measurement that we don’t have today.”

“This would enable us to plan effectively against holistic reach goals and optimize across linear and digital platforms.”

“As a marketer I am telling a story and I need these data for audience orchestration. Every interaction is iterative and adds value – so I need to know which chapters of my story have been seen and where.”

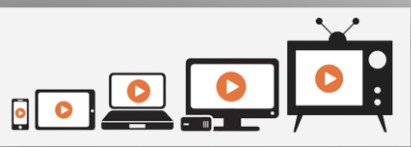
“This will become more important as brands start to look at campaigns holistically.”



Likelihood to Support Proposed Standard



The **Media Ratings Council** has been working on a Cross-Media Measurement Standard for video advertising. This would enable a common currency for video advertising running across all platforms, such as standard linear TV, streaming TV, and other forms digital video - both long form and short form. The goal is to standardize measurement for video ads using a duration-weighted gross impression as well as a standard gross impression. These measures will include viewability verification and IVT filters. Besides having a common currency for all video ads, this standard approach would enable the measurement of net reach and duplication of audiences across platforms.



Likelihood to Support Proposed Standard

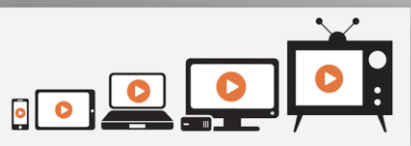


Likelihood to Support Standard



Why Very Likely?

- A consistent standard and comparable metrics.
- Need for greater transparency industry-wide.
- The need for digital video ads to have a time of exposure component, not just a viewability qualifier.
- The need for linear TV to have a disaggregated measure of ads by brand and campaign.



Likelihood to Support Proposed Standard



Likelihood to Support Standard



Why Not Very Likely?

- “The goal is admirable, but the devil is in the details.”
- “How do we account for different qualities of exposure by platform?”
- “The idea of one metric is a fool’s errand – exposure is just the beginning.”
- “Eventually this needs to be tied to business outcomes.”

Discussion Themes



Advantages, Disadvantages of New Standard Currency:

- + Simplicity and efficiency vs. duplicity and complexity
- + Consistent, unified measure across platforms including reach and duplication
- + Overcome significant transparency issues of today
- - Adjusting to new currency and processes: The unknown!
- - Separation of content from ads
- - Hindering value of proprietary measures

Barriers to Adoption:

- Inertia, due to resistance to change while outcomes and benefits remain unclear
- Cost to retool and implement new organizations and workflow
- Breaking down the silos that still exist
- Lack of clarity and proof of performance



Discussion Themes



Measurement Considerations and Concerns:

- Nielsen's ability to produce stable data for individual linear TV ad units
- Ability of any vendor to produce second-by-second data for duration weighting
- Whether data for consumer targeting and attribution should be built in
- Vendors will need significant cooperation from publishers

Impact on Your Business and the Industry

- Improved efficiency and ROI
- Despite more data, could result in fewer systems and more simplified approach
- Forecasting would be more holistic with greater focus on yield management
- Ability to manage and optimize delivery on a campaign level across platforms



Discussion Themes



Impact on Your Business and the Industry

“May be an instant shift in the way buyers buy.”

“Greater yield. More efficient. Could mean more money.”

“Could increase confidence with a higher-fidelity view of advertising.”

“This could lead to a flight to quality, and reach as a metric will matter more.”

“This will stem the narrative that TV is in decline and video overall will become more meaningful to advertisers.”

“The media world will become a little less complicated.”

In Conclusion



The Industry is Ready to Embrace Change

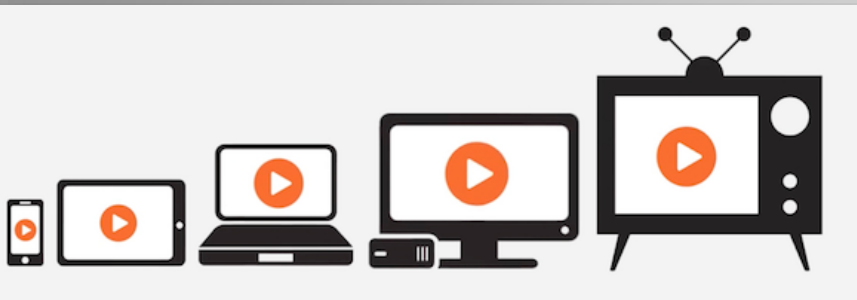
- There are questions around the word “currency”
- Desire to maintain proprietary data sources
- Benefits of a single standard are very clear
- Could introduce simplicity and efficiency
- Measurement of reach should be a unifying goal
- **Change will be hard**

In Conclusion



Recommended Steps to Bring About Change

1. Establish clear industry education of the standard and its goal among stakeholders and the general public for comment.
2. Establish a persons-centered lab research program to study the varying qualities of video ad exposure across platforms and the rationale for any weights to be applied.
3. Establish a basis for consensus across all stakeholders and be clear about the level of cooperation needed.
4. Work with measurement vendors to gradually implement the standard and run parallel to existing measures as needed to gain industry adoption.



Thank You!

“Measuring more is easy. Measuring better is hard.”

Artie Bulgrin

Media Research Consultant &
EVP, Strategy & Insights at MediaScience



ArtieBulgrin@Optimum.net

