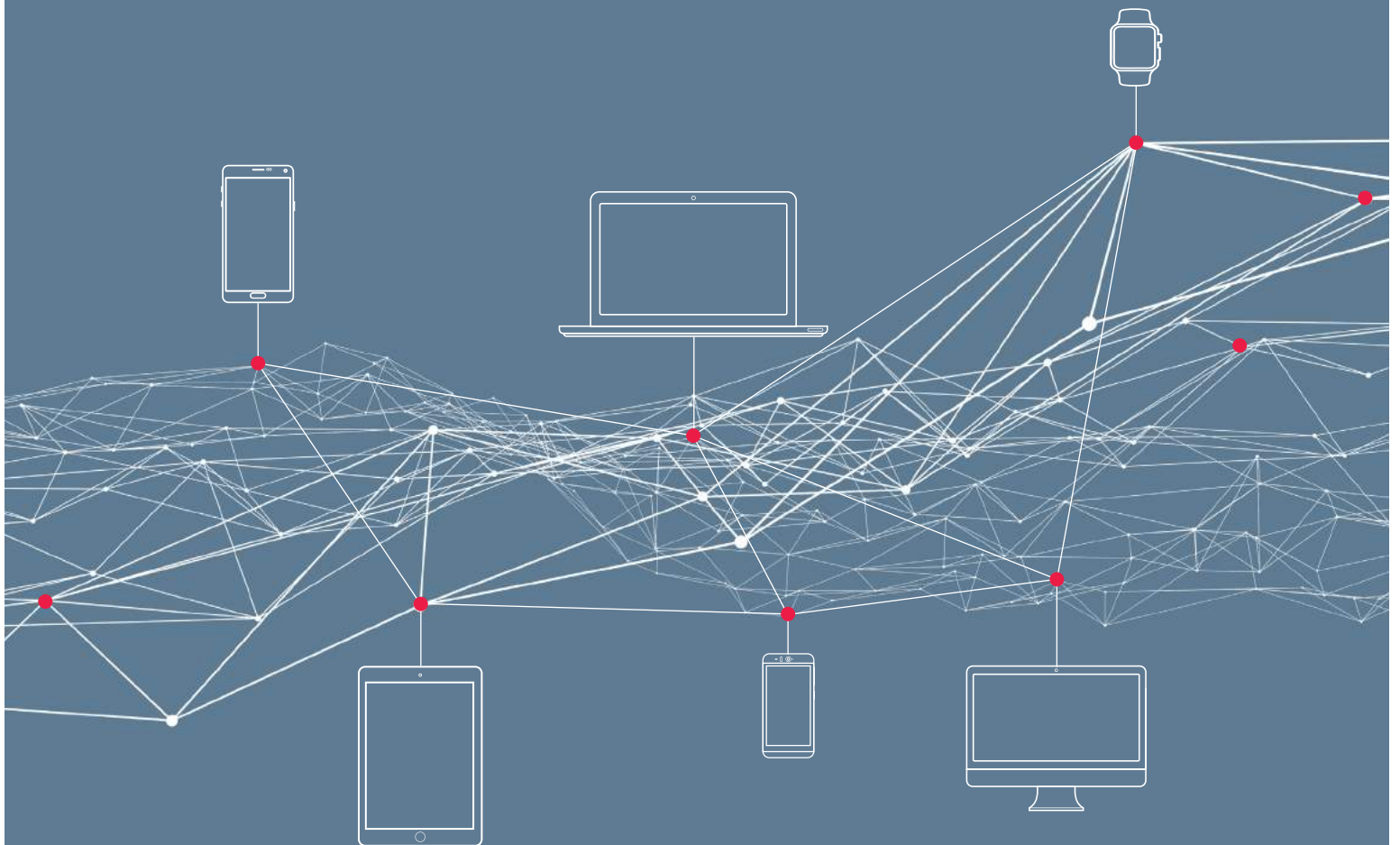


Measurement Priorities: The Agency Perspective



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Overview

As consumer behavior and advertising investment continues to migrate to multiple channels and devices, the marketing industry today suffers greatly in the quest to solve for cross-media measurement.

While measurement companies, technology vendors, and media sellers are taking multiple approaches to address measurement issues, a gap exists between agencies' needs and their capabilities.

The need to close measurement gaps is so critical, multiple industry initiatives are now prioritizing these issues to identify solutions. Agencies are addressing these gaps as well by creating their own proprietary models, thus having one-sided views of "the truth."

To identify our members' priorities, the 4As's in late 2018 and early 2019 interviewed thought leaders in holding companies and independent agencies about cross-channel measurement, and then distributed a survey of media, research, and analytics members. This report summarizes the key findings of this initiative.

Agencies need high-quality measurement data to help them plan, buy, and optimize their marketing and media investments. Senior investment and research analytics leaders consistently note that agencies need a measurement system capable of unduplicated reach across channels as its key feature.

The ability to count individual ad exposure, with similar granularity across channels, is a key input to enable comparison across media investment, confirmation of media delivery, and reliable input to a sophisticated attribution system. All members consider high-quality attribution a top priority.

But to solidify the basic building blocks of such a system, agencies need to solve additional business and technical priorities, including the need for higher-quality identity graphs, the ability to gain access to exposures and engagement within walled gardens, and a standardized method for combining cross-channel metrics.

Key Findings

Unduplicated reach	Senior investment and measurement leaders' primary challenge for achieving all other goals, including the equally important priority of attribution.
Attribution	Agencies need to enable optimization against advertiser goals, thus requiring the ability to attribute drivers of outcomes.
Currency	While not all agencies consider a single currency critical, most seek a consistent framework for combining and comparing metrics across channels and platforms. If the industry adopts a single currency, the majority of agencies seek an impression-based currency with the same level of granularity across channels.
Walled gardens & identity graphs	Agencies need transparency from walled gardens to support campaign measurement, frequency management, and optimization, as well as higher-quality, privacy-compliant identity graphs and device maps that feed into unduplicated reach, targeting, frequency management, and attribution.
Channel measurement gaps	Local TV needs consistent, reliable, and representative commercial ratings and reporting. Video and audio measurement need enhancements as well.
Short-term vs. long-term	Solutions and systems need to enable the balance of long-term brand-building needs with short-term outcome measurement.
Agency need by role	Measurement needs vary depending on planning, buying, or attribution; the client category; purchase cycle; and availability of data. Agencies seek systems that can build on granular data and support needs across multiple scenarios.
Business challenges	Media sellers need to comply with technology requirements to enable comprehensive measurement. As the need grows for greater precision in measurement, understanding its value is important: The cost of this change may require media and/or measurement price adjustments. Agencies need clarity about who bears the cost of improving measurement.
Collaboration	Many new initiatives are starting to address measurement gaps. The industry must develop solutions in an open, collaborative manner, to support the needs of the community. Some networks have attempted to provide cross-device solutions, but agencies find it less than ideal to work with separate measurement frameworks for each network or publisher.
Talent	The majority of respondents view talent as a top driver of successful measurement and consider it critical to recruit, educate, and retain talent that understands the media, data, and measurement dynamics and has analytic and research capabilities.

Key Findings: Details

93% say the industry must establish a method for unduplicated reach across channels.

Unduplicated Reach and Attribution

Solving for unduplicated reach is senior leaders' highest priority. Members consider the ability to count exposures across channels and enable attribution to be critical.

Unduplicated Reach

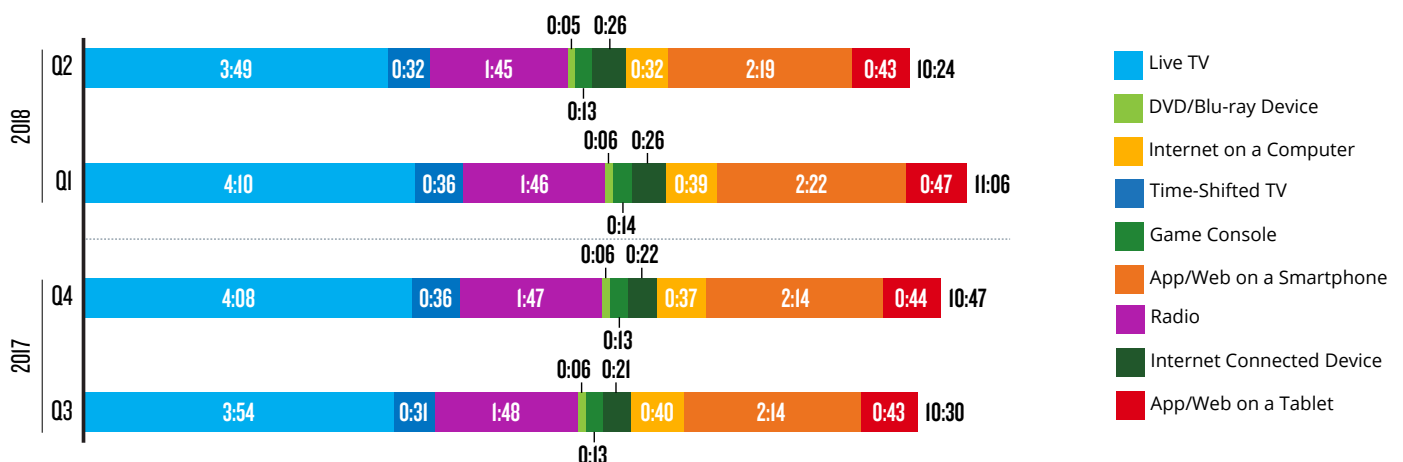
Consumption has rapidly shifted toward multiplatform and multiscreen viewing.

U.S. adults spend 43% of their day accessing media on various devices, according to the Nielsen Total Audience Report of Q2 2018 (based on available data). 45% of respondents to a Nielsen survey of the media enthusiast community said they watch TV while using digital services.

Shifting media habits open more access points for marketers to reach, connect, and engage their audiences, but developing a true cross-platform, cross-device audience-measurement and attribution capability remains a major challenge.

Because this migration across multiple channels and devices complicates the ability to obtain mass reach, most agencies struggle to develop defensible

Average time spent per adult 18+ per day (based on total U.S. population)



Note: Some amount of simultaneous usage may occur across devices. Internet Connected Device is inclusive of Smart TV app usage.
SOURCE: THE NIELSEN TOTAL AUDIENCE REPORT Q2 2018

97 % say tools and platforms should deliver total audience information across platforms.

“The greatest challenge is that we have different ways of counting audiences across channels.”

“We need unduplicated reach across channels available in tools with granularity.”

plans across channels. While sellers also offer bundles across channels, current measurement and tools do not yet enable comprehensive cross-channel data-driven planning to support the practice.

Solving for unduplicated reach is a fundamental goal for agencies. Consistent and reliable input on this front will strengthen planning systems, buy-delivery evaluation, and subsequent exposure-based attribution solutions.

Agencies today cannot get this information consistently and accurately. Nielsen and Comscore have added new reporting to address this gap. But these solutions have limited breadth, due to a lack of sellers’ universal SDK compliance, non-representative data sources, and an inability to comprehensively include OTT and VOD, therefore calling accuracy into question.

With persons-based, household-based, and device-based solutions at odds, networks have responded by launching solutions to use across their properties. NBCU’s proprietary measurement solution, cFlight, uses a combination of third-party metrics to aggregate ad impressions across traditional and digital viewing.

Solutions from companies with set-top-box data, such as Data+Math and SambaTV, offer some cross-channel measurement but are primarily used as the back end for proprietary media seller and/or agency-measurement solutions, rather than as universally adopted industry metrics.

Some members surveyed also seek reach and frequency not just at ad and content levels in aggregate but also at the ID or household level—suggesting a need for a census-based identity-mapped solution that allows privacy-compliant data management. This would better enable targeting, attribu-

tion, and de-duplication of reach.

Attribution

Optimizing advertising spend depends on understanding what drives desired outcomes. Tracking digital exposures across a path to a desired outcome enabled the growth of advanced digital-attribution methodologies. That said, advertisers and agencies want to improve this capability by enabling greater visibility into exposures within digital, such as within walled gardens, and across all channels.

The number of vendors offering attribution solutions has escalated. Specialty vendors focus on specific channel attribution. Traditional media-mix-modeling vendors are expanding their capabilities to include attribution. Many agencies work with third-party attribution partners, and some have proprietary attribution systems.

But the gaps in ability to capture accurate exposures with similar granularity across channel limits the accuracy of attribution models. Solving for these gaps is the agencies’ highest priority and may pose methodology differences based on desired outcome.

Currency

Agencies want either a single currency or a framework to guide how to combine and compare currencies, with similar granularity across media.

One key challenge in this multichannel environment is inconsistent units of measurement and currency across media platforms. Exposure is defined

91 % agree that even if the industry does not align on a common currency across channels, they still need a consistent framework for evaluation of audience and delivery across channels.

differently on each platform, and even within each platform: average second, average minute, average quarter hour; impressions or clicks for digital media; views or streams for digital video.

The majority of agencies surveyed “somewhat agree” on the need for a single currency, such as GRPs or impressions, to plan and buy across platforms.

Many respondents were neutral about impressions vs. GRPs, but the interviews strongly indicated a preference for impressions.

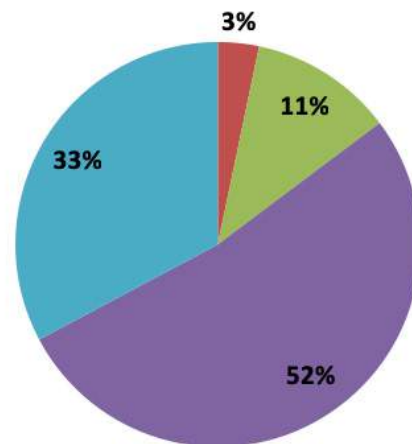
Agencies acknowledge that various metrics work best for varying ad formats, placements, and channels, and will still be needed for optimization. But planning and buying integrated cross-channel media plans still call for unifying metrics.

The launch of 3MS (Making Measurement Make Sense, a cross-industry initiative to define clear standards-based metrics for interactive advertising comparable to traditional media) was intended at first to generate a metric that could enable the comparison of digital to linear, resulting in a digital GRP. This goal has changed, as the importance of impressions as the key building block to enable cross-channel reach has become more evident.

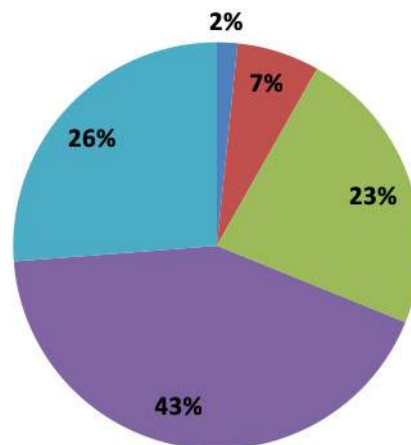
A key component of the impression definition includes developing minimum standards to determine ways to incorporate duration, viewable/audible, fraud-free exposures for multiple channels, with considerations for static vs. dynamic environments. The Media Rating Council (MRC)’s recently released cross-media measurement standards will include these requirements and [can be found here](#).

The MRC’s cross-media standard

The Industry Needs a Single Currency Across Channels to Standardize Buying and Planning



Impressions by Target Are the Best Option for Currency Across Channels



“We don’t need a single currency but a single framework for currency. We don’t all need to agree what duration constitutes an impression, but we have to be transparent about it.”

“There are two parts to this conversation: how are we counting audiences, and what is the value of those audiences. These are not the same, and we typically co-mingle them.”

provides a framework for the consistent measurement of video of all types and establishes a robust set of guidance for the operating practices necessary to do this. This standard will help move the industry toward trading on audiences in an apples-to-apples manner for all video media types.

Agencies support including duration metrics. Many agencies support equalizing ads of varying duration with a common denominator, but they need to determine how this will impact processes and tools. Some, while supporting duration as a metric for understanding value and impact, do not support equalizing on a common denominator. Further clarification and discussion is needed on this topic within the agency and industry leaders.

Accordingly, the MRC has included recommendations for absolute duration weighting in its most recent cross-media standards. To allow the industry to study the recommendation and enable supporting infrastructure, the MRC will not require this metric until 2021.

Granularity of Ad Ratings

Agencies also seek similar granularity in linear media to digital media. Ideally, ratings would exist for each TV spot, and completion and viewership could be tracked at the second level. This data would presumably be available in all planning tools and systems.

Because Nielsen’s technology cannot yet capture second-level data, agencies are using inconsistent approaches. Some use set-top-box data from various vendors to provide their own analysis, optimization, and attribution of ad performance; others use automatic content recognition (ACR) technology to

measure granularity.

As an interim step to spot ratings, many agencies want access to commercial minute ratings. Whether this is needed as a currency or evaluative technique still needs to be determined. Some agencies argue that more detailed analysis would be needed for exact commercial minute data to determine its value as a currency versus an evaluative metric. If it were to be used as a currency, both buyers and sellers have concerns about the price implications of sellers moving to a commercial minute metric (as opposed to the C3/C7 metric, based on an average across all ads in the program over three or seven days from the airing of the ad). Yet agencies need this detail to optimize spend and understand whether the increased cost is worth the additional insight at the specific ad level.

The increased precision enables insights that can help optimize the creative and the media placement and establish a closer link between media exposure and conversion-attribution outcomes. But linear TV sales and buying systems largely aren’t equipped to accommodate data with such granularity.

So although this level of granularity is not an immediate necessity, it’s a useful metric of evaluation for agencies that do not have access to set-top-box data.

Walled Gardens

Transparency from walled gardens to enable measurement and to improve frequency management and optimization is a constant theme across agen-

“We need transparent measurement from them. Accepting third-party measurement is key.”

“In an ideal world, we’d get the data from them, or they’d participate in bigger industry-wide data sets, so we can reach consumers without driving them crazy, and everyone wins.”

88% say they need a census universe with all data at user- or device-level they can work with in a privacy-compliant way.

“Everyone has their own identity graph, and they don’t want to contribute to a common one.... Frequency is going to get worse, not better.”

cies. They desire access to exposures across all ad formats and inventory within the walled gardens. Of the agencies surveyed, 94% agree (79% strongly) that third-party measurement must be implemented and used within the walled gardens.

Some of the walled gardens now accept third-party tags, such as ad server and ad verification. However, the limitation of these measurements lack true visibility both inside the reporting facility and across campaigns. For ad-verification vendors that track viewability and fraud, the MRC has an accrediting process for passing the data to the third parties. Ideally, the walled gardens would allow complete direct third-party measurement of audience, but marketers and agencies should expect higher ad-tech fees.

A consistent request is for social-media platforms to accept ad-server tagging to enable the ability to support better targeting, cross-channel optimization, attribution, and frequency management. As the dominance of walled-garden GAFA (Google, Amazon, Facebook, Apple) players continues to expand across the marketing and advertising ecosystem, it is increasingly important to demand measurement transparency to facilitate evolving cross-channel measurement solutions. Ad tech’s role in measurement is increasingly central to the conversation. As more time spent with media and overall reach goes to these partners, it’s getting increasingly difficult to ignore these expanding and inconsistent measurement gaps.

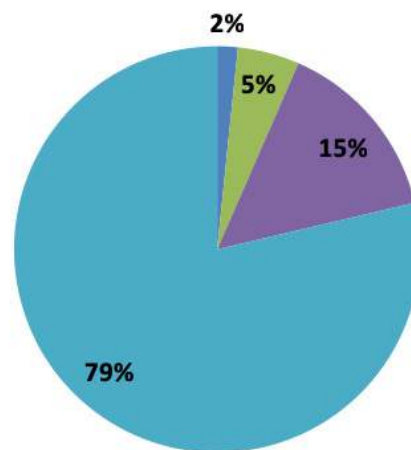
Agencies also need social-media platforms and other walled gardens to enable sales-lift and brand-lift measurement programs they can manage themselves, without the walled gardens. While some partners

including Facebook and YouTube now allow third-party measurement through approved partners within their platforms, the ability to consistently measure across platforms remains elusive.

Beyond their measurement challenges, the walled gardens’ lack of data transparency or sharing with other device maps creates issues with frequency management. These issues will only worsen, because walled gardens and other players have separate identity maps and won’t share the data. We need them to work together, to improve the experience for all consumers and effectiveness for advertisers and agencies.

With massive reach and high-quality deterministic data, walled gardens are likely to remain an essential part of any brand’s media strategy. But to use them effectively, brands need these platforms to become more

Third-Party Measurement Should be Universally Implemented and Leveraged Across All Walled Gardens



■ Strongly Disagree ■ Somewhat Agree
■ Somewhat Disagree ■ Strongly Agree
■ Neutral

open and flexible with their data, as well as other technologies that will help them link these platforms with their broader media plans.

“The ideal thing is to have one solid measurement system in place to get the great detail for the buy, and attribution can be rolled up into top view for planning. But what we have is a source for planning that does not tie to buying and attribution.”

“Upper-funnel metrics are very important. Let’s not forget about the last 50 years of marketing.”

Identity Graphs and Device Maps

While walled gardens are one primary challenge in device mapping, the quality of the data within identity and device graphs is also a problem. Most rely on probabilistic methods, and not all enable the end user to designate a specific level of purity. Other issues include low match rates and ability to identify which users have been exposed to marketing.

Agencies want the ability to understand how households map to users and how many devices are used at a given point of time. We also need to understand co-viewership patterns.

To get reliable identity graphs that let them track individual users and households, agencies seek industry collaboration, requiring walled gardens, publishers, and ad-tech and data suppliers to commit to enabling a privacy-compliant identity graph. Any solution needs to respect consumer ID protection and drive toward industry consensus for what that solution is.

Varying Measurement Needs

Measurement needs vary across planning, buying, and attribution. The baseline for understanding measurement across these activities is audience exposure data for both content and ads. Agencies are looking for systems that can build on granular data and support all needs.

Attribution requires very granular exposure level data, such as impressions to a specific target or specific creative, while planning uses higher-level data, such as the profile of a particular show or content. In an ideal system, granular data could be collected and rolled up to support higher-level data for planning.

Planning requires a consistent and comprehensive view of audiences—ideally, behavioral across a broad range of media channels and properties—to determine the best places to connect with a brand’s target consumers. In today’s measurement environment, planning is fairly precise in digital channels, most often programmatic and addressable. But consistently activating against the same audience across channels that are still primarily linear, such as TV, remains challenging. Next-generation planning tools must incorporate transparent data streams from walled gardens to help agencies develop truly audience-based, channel-agnostic plans.

Buying requires consistent metrics, such as impressions or gross rating points, that can be compared across touchpoints, while allowing for an agency to negotiate based on other unique metrics for the campaign and

“Local has taken a backseat to national. Historically, not a lot of dollars have been invested in local measurement—we do not even have commercial measurement.”

“Video reporting needs to indicate whether the audio was muted.”

“We need to test to see if greater precision drives greater outcomes.”

channel.

For attribution and optimization, the measurement exposure and engagement metrics must tie back to brand and business outcomes, such as purchase or consideration, to provide a consistent, closed-loop connection from investment to outcome. Agencies can accomplish this through such methods as modeling, experimental design, and purchase-data mapping to exposure data. Granular data is critical for agencies to measure exposure and engagement.

Short-Term vs. Long-Term Concerns

Agencies are concerned with sellers going directly to a test/control attribution approach and de-emphasizing the need to count individual exposures. This approach focuses on short-term outcomes and may hurt long-term sales.

Agencies agree the right balance must exist between long-term brand-building and short-term sales goals. Methodologically sound attribution and outcome measurement are critical. Measurement solutions must also focus on long-term effects as well as short-term outcomes.

Within-Channel and Cross-Channel

Agencies need within-channel and cross-channel improvements, for both cross-channel measurement and individual channels, such as local TV and mobile.

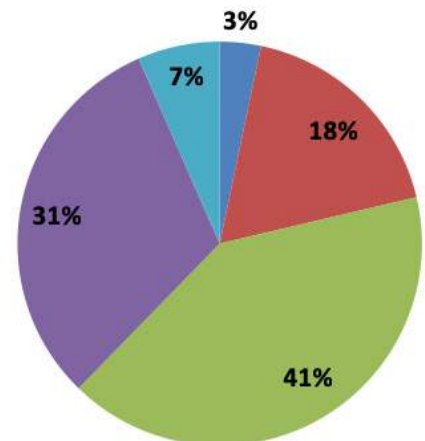
Local TV has had a history of frequent

changes and new methodologies and needs stability. Agencies need more reliable and more representative data; commercial ratings for local TV, as with national TV; and, critically, de-duplicated reach across stations.

To improve mobile measurement, agencies need to see results at the user level, in addition to aggregate app and mobile web results. As our measurement frameworks evolve, it is increasingly important to view mobile as a vehicle to deliver digital media impressions, rather than a channel unto itself. This change will connect mobile impressions more directly to cross-channel delivery.

Agencies increasingly want to add audio reporting to video reporting. Local linear audio measurement, which uses an average quarter hour (AQH) standard, also needs individual exposure-based metrics so it can be planned and evaluated with other

The Test vs. Control Approach Offered by TV Attribution Providers is a Sound and Valid Tactic



■ Strongly Disagree ■ Somewhat Agree
■ Somewhat Disagree ■ Strongly Agree
■ Neutral

“I applaud all imaginative tries, but I would rather see NBC put its weight behind Nielsen Total Audience Framework.”

“FoT is opening up the conversations. People with research, buying, selling, pricing, and planning have different perspectives. There is good movement forward.”

channels. Agencies need audio reporting at the same frequency as video reporting to better support brand and sales-lift studies against audio exposure. One additional valuable metric is whether the ads are muted or not.

Business Challenges

Business issues such as investment requirements, funding, and collaboration and compliance across parties in the measurement ecosystem affect the ability to find solutions.

One key issue: Comprehensive measurement depends on sellers' technology compliance. Video measurement offerings depend on sellers implementing custom SDKs to capture data beyond over-the-air broadcast. Beyond legal and consumer experience challenges, capturing this data requires a large investment from sellers—particularly networks with many stations—for initial set-up and ongoing maintenance.

Developing an open SDK could eliminate sellers' need to implement multiple solutions, but would require collaboration across measurement vendors and networks. Agencies don't demand a specific solution but want to ensure that sellers comply with the technology requirements to enable comprehensive measurement. Another alternative would be for the industry to embrace universal IDs that are open and accessible.

The growing need for greater precision, driving greater usage of commercial minute ratings and other metrics, could reduce seller inventory, leading to more valuable inventory with higher costs. Agencies would need to test the

value of that greater precision to determine whether it merits a higher price.

Agencies need clarity on funding measurement improvements. Measurement is critical to both advertisers and sellers, and both need to know its value to invest in improving the measurement ecosystem.

New Initiatives

New initiatives are a good start, but we are just at the beginning. In 2018, initiatives including NBCU's cFlight and EY's Future of Television (FoT) workshop sessions went online. Most agencies have reacted positively to cFlight, which uses a standardized impression method to combine viewership across channels, but agencies do not want separate solutions from each network.

EY's FoT sessions involves industry leaders from agencies, sellers, and marketers, dividing them into groups to address three issues:

- 1. Currency:** Which unit of currency best facilitates audience-based buying across all ad-supported venues where audiences consume TV programming?
- 2. Data measurement:** Which data and/or measurement best facilitates a marketplace that transacts around the new currency?
- 3. Common platform:** Which platforms or technologies best facilitate a more evolved, audience-based buying marketplace for premium video and TV?

An additional initiative that will help measurement is the implementation

“Expectations are not necessarily managed well across advertisers, agencies and publishers regarding who owns and funds. This creates friction and impedes progress.”

of standards identifying advertising. Ad-ID is the industry standard for identifying advertising assets, and Entertainment ID Registry (EIDR) is the standard for content. Advertisers, creative and media agencies, ad trafficking, and media vendors all need to align around the implementation of Ad-ID and EIDR into newly evolving cross-media video workflows.

There are a variety of methods for binding these identifiers into the asset, such as the IAB’s VAST (Video Ad Serving Template) 4.1 standard, which has a place to carry Ad-IDs for digital video ads.

Additionally, the Coalition for Innovative Media Measurement (CIMM) has supported an initiative with the Society of Motion Picture and Television Engineers (SMPTE) called Trackable Cross-Platform Identification (TAXI) Complete. TAXI Complete includes two new standards: one for binding the IDs into the assets via an audio watermark that will persist across distribution platforms, and a second watermark for capturing the time stamp and distributor for crediting the initial linear TV broadcast and viewing of the content.

If all parties align around the TAXI Complete initiative, it would enable

faster and more accurate tracking and measurement of video across platforms, as well as provide opportunities for second-screen syncing, interactive content, T-commerce, and other innovations yet to be developed.

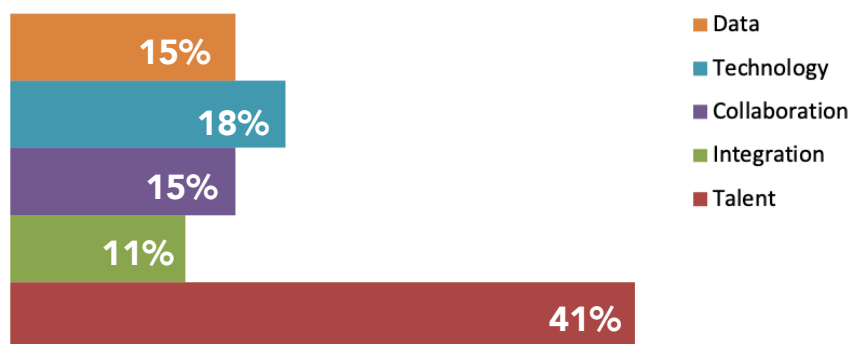
These discussions are early and ongoing, with next steps and recommendations still to come.

Talent

Agencies consider recruiting, training, and developing talent the top driver to more holistic measurement, even if technology and data issues were solved.

The challenge is ensuring that measurement teams understand the media dynamics and the data and technology of the ecosystems, and have sufficient analytical and strategic capabilities to support planning, buying, optimization, and attribution.

Key Drivers to a More Holistic Measurement



Next Steps and Implications

The 4A's wants your feedback. To make sure we capture your perspective, please send your input on this report to media@4as.org.

With your input, we will prioritize solutions and solicit input from measurement and technology partners across the industry, as we work with such trade associations as the IAB, ANA, Video Advertising Bureau (VAB), Coalition for Innovative Media Measurement (CIMM), and the Advertising Research Foundation (ARF), along with buyers, sellers, advertisers, and ad-tech vendors across the ecosystem.

Appendix

Methodology

This paper was developed in five-phases:

1. 4A's Media Measurement task force identified hypotheses and questions for qualitative research across leadership within holding companies and some independent agencies.
2. The following industry leaders contributed:

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Ron Pinelli

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3. Measurement Priorities subcommittee (Peter Sedlarcik, chair; Claire Brown; Krista Lang; George Musi) reviewed key inputs and design of survey.
4. Quantitative survey to more than 600 members with media, investment, research and an-

alytics roles resulted in 10% response rate, yielding n=61 for the survey.

5. The 4A's and the Measurement Priorities subcommittee prepared the report.