



// MAY2014

egta guidelines for the future of
audiovisual audience measurement

// the television sales houses' point of view

Adapting to a fully digital,

multiple screen and device environment

A B O U T T H E P R O J E C T

In 2007, egta member sales houses produced and officially adopted parts one and two of a blue print which summed up their opinion on how audience measurement should be structured in the future. They identified those elements which seemed fundamental to an optimal and relevant audience measurement system that would match the needs of all actors in the advertising industry.

Although this document seemed far-reaching and forward-looking, seven years down the road, egta members felt the need to update this publication to take stock of the new digital and increasingly connected multiple screen and device media environment. This document summarises the discussions held during a series of working group meetings, communications with members and industry partners meetings.

E X E C U T I V E S U M M A R Y

All audiovisual content viewing should be measured regardless of when, where and on which device (ATAWAD) this viewing is taking place. Therefore, in a nutshell, egta recommends:

- A viewer-centric approach that includes any viewer's audiovisual contact across any screen in the same database rather than silos tailored to capture individual screens separately;
- A new measurement set up using the reliable TAM as a basis (i.e. that continues to reflect the existing television currency; providing notions of duration and not only reach) while integrating video census data;
- A hybrid product: a single currency based on more than one measurement;
- The harmonisation of advertising metadata of all video content as well as the monitoring of the new measurement by TAM organisations and auditing by a third party to insure validity of data and full transparency;
- A system that allows for the possibility to break down the data between devices and to show how multi-screen video campaigns can help drive traffic from one medium to another;
- The possibility of having different trading and planning currencies if that facilitates appropriate measurements for different purposes.

INTRODUCTION

egta is the Brussels-based trade association of more than 120 television and radio advertising sales houses. Together its members, spread across 38 countries (mainly in Europe), collect more than 70% of all television advertising investments made in Europe.

As sales houses of both public and private broadcasters, egta members commercialise the advertising space around audiovisual content¹ available on platforms such as TV sets, tablets, smartphones, desktops and laptops.

It is their opinion that in today's digital and increasingly connected multiple screen and device media world where there is more information, choice, individual control, and customisation, audience measurement systems and data must be adapted to the new reality. Viewers today watch audiovisual content on many screens other than television sets and usually do so via the Internet. Consumers are thus clearly ahead of today's measurement. Viewers' new media consumption habits must therefore be measured correctly to reflect today's reality. This requires a joint effort of all the actors of the advertising industry: advertisers, agencies, research providers, media owners and their sales houses.

egta and its members wish to be pro-active in the further development of audiovisual audience measurement and base their reasoning on the following premise: television is and will remain the most mass communication medium while also proving effective with smaller target groups through niche and thematic channels as well as Internet Protocol Television (IPTV). It is the most efficiently and quantitatively measured medium and as the use of people-meters is close to universal for television, it not only offers the most accurate data but also allows for comparison across countries. The effective evolution thus requires the extension of the traditional TAM (Television Audience Measurement) systems to all other devices rather than its replacement by an entirely new solution.

At the time of publication of this document, some countries such as Canada, Germany, the Netherlands, Norway, Sweden and the United Kingdom are already trying out new audiovisual measurement solutions in order to include viewing from devices other than television. The first results look very promising even if the path to get there has not been easy. Also, most audience measurement companies such as Kantar, Nielsen or ComScore have developed tools that are aiming at measuring multiplatform viewing. These tools have their flaws but are basically achieving the goals that they had set for themselves; i.e. measuring multiplatform campaigns. These initiatives are therefore paving the way for those countries where multiplatform audience measurement is still at an early stage.

¹ See glossary

WHAT TELEVISION SALES HOUSES SEE AS BASIC REQUIREMENTS TO BUILD THIS NEW AUDIOVISUAL AUDIENCE MEASUREMENT

The existing media research does an exceptionally good job at providing a currency for media buyers and sellers. This currency has been present for many years and has generated a high degree of trust amongst all television industry actors.

Television should therefore be used as a quality benchmark for other media research, to encourage the same level of audience measurement quality and reliability.

egta therefore recommends that the following points be considered as pre-requisites for the future of audiovisual measurement:

- The adoption of a single currency and an Any Time, Any Where, Any Device (ATAWAD) measurement for all audiovisual content, whether professional or not, including user-generated content in so far as possible, and the advertising surrounding it, irrespective of the delivery platform or type of screen used;
- A new measurement that continues to reflect the existing television currency (i.e. that provides notions of duration and not only reach) including its transparency and its audit;
- The development of research that allows comparability across media screen touch points and shows how multi-screen video campaigns can help drive traffic from one medium to another;
- A viewer-centric approach² that collates any viewer's audiovisual contacts across any screen in the same database rather than silos tailored to capture individual screens separately.

Those basic requirements will be developed further in this document.

² See glossary

OUTCOME OF EGTA'S MEETINGS WITH ADVERTISERS AND AGENCIES

In October 2013, egta met with representatives from the World Federation of Advertisers (WFA) and the European Association of Communication Agencies (EACA). Following these discussions, egta, WFA and EACA agreed that viewers have evolved from passive recipients to active interpreters to engaged participants.

When faced with new business pressures, fragmentation, attention deficit and the need to adapt to the digital landscape, advertisers and agencies want to make sure that they maximise the effectiveness and efficiency of their marketing communications. There is therefore a definite need to adapt today's measurement to all audiovisual content viewed regardless of the platform it is viewed on.

Advertisers and agencies' main requirement regarding the implementation of this new measurement is that it is put in place short-term. The pace of change obviously depends on the work of Joint Industry Committees (JICs), Media Organisation Committees (MOCs), TAMs and other audience measurement companies in each country.

Just like egta, advertisers and agencies do not wish to replace the existing media research. They acknowledge that the existing currency is good, trusted and consistent, and that different research methodologies are suited to different media.

From a multimedia point of view, advertisers and agencies wish for greater comparability across media, for a possibility to understand the specific contribution of each medium within multimedia campaigns and for a better analysis of the return on their investment.

Advertisers also acknowledge that a consumer-centred approach³ rather than a medium-centred approach is the way forward. This approach should therefore be based on a large sample size, and offer speed and flexibility. The audiovisual panel needs to be sufficiently representative of the media consumption habits of the users. The data should be unified rather than segmented per medium and should be holistic rather than silo-based; i.e. a system that takes on board the synergies between media, where television is the base and the incremental reach brought by other screens appears clearly. In any case, advertisers do not insist on the need for a single media currency as they already have to deal with two or three media currencies (such as press, radio, etc).

Agencies attracted egta's attention to the fact that extending the TAM system to all video content viewing will imply additional costs, which may be an issue for the industry.

Both agencies and advertisers acknowledge that extending TAM to all screens is likely to result in the development of additional research methods which have to be integrated into the existing TAM system. They favour JICs or JIC-like organisations to ensure transparency and consistency of such an audience system.

³ See glossary

► PRELIMINARY REMARKS

Viewers are watching audiovisual content on all kinds of devices/platforms such as TV sets, computers, smartphones and tablets. As with traditional home television viewing, they are exposed to audiovisual commercials which must be accounted for, with the audience results being integrated into the established TAM system but differentiated from traditional home television viewing.

The basic principle already recommended by egta is that all live, time-shifted⁴ and TV-assimilated⁵ viewing of audiovisual content ought to be measured. This principle must be extended to all audiovisual content viewed on and via the Internet.

Therefore, egta's overall claim is that all eye-balls should be measured on any screen where a broadcaster's audiovisual materials and a sales house's commercials are consumed.

The industry needs research that must be flexible and adaptable both at the time of its collection and use or processing by the various actors whose individual needs must be met. Research indeed serves a myriad of purposes and is therefore the responsibility of all affected actors in the industry.

With regard to comparability, best practices already established in individual markets easily allow for cross-country comparisons. In addition, all raw data is available and accessible - sometimes for a fee - and can thus be aggregated in many different ways (e.g. per age group) by all industry actors.

► EGTA'S RECOMMENDATIONS

1. No additional silos – aim for a viewer-centric approach

A plethora of research from many countries suggests that despite dynamic and continuous growth for video on demand usage, classic *live* television accounts for the vast majority of audiovisual exposure. Video on demand⁵ offers advertisers a host of possibilities that are not available on linear television⁵, like frequency capping, individual targeting and the possibility to address smaller and fragmented audiences at a more reasonable price. Linear television, however, is the only platform to reach a large audience effectively within a short period of time.

It is in the interest of advertisers and sales houses alike to combine and exploit both

⁴ In terms of time-shifted viewing, some countries may still do otherwise; the standard recommended by egta is that reported figures include *live* viewing + VOSDAL (viewed on the same day as live before 02:00) + 7 days.

⁵ See glossary

linear and online platforms in order to maximise the effectiveness as well as the reach of audiovisual campaigns.

egta thus calls for a viewer-centric approach. A future TAM system should be tailored to make the most of the combined benefits of television and video on demand campaigns rather than the differences between the two.

Traditional silo-based approaches to measuring media offer the benefit that the research technique is tailored to each specific medium, but they cannot identify the combined impact of an audiovisual campaign.

egta recommends that wherever possible, TAM operators aim for a holistic system that covers all video exposures in one harmonised database and avoid the creation of different databases for different screens in order to solve audience fragmentation issues.

Any such approach should target the same quality and reliability standards that television audience measurement has set as a benchmark. From a sales house perspective, the ultimate goal must be to supply, for a cross screen campaign, metrics similar to those available for a traditional television campaign, especially reach, frequency, demographics, and viewing duration.

2. A metered panel is central to demographics and reach

Metered panels have been at the core of television audience measurement for many years and remain the worldwide accepted instrument to measure television audiences. In a holistic audiovisual TAM system, a valid panel is all the more important. If the objective is to identify the reach and demographic audiences of an audiovisual campaign across many screens, there is no safer and more transparent way to derive this critical information than from a metered panel.

A panel therefore should be at the core of any TAM system. Utmost care must be taken to ensure its validity and reliability as any bias here will aggravate the later stages of data processing. Panels have to be as representative of the population as possible and panels must reflect the most important trends, namely changes:

- in the household structure (more single parent families, more urban families, less people per household, more mobile populations, people moving within and between countries, etc.);
- in terms of the available multiple audiovisual devices (HD TVs, flat screens, PVRs, DVRs, online, VOD, etc.);
- in the number of screens and devices that audiovisual content now appears on;
- in the size of a channel's potential audience (need to measure thematic and niche channels);

- in the number of markets measured (regional or national);
- in the way audiovisual content is viewed; i.e. more and more time-shifted.

3. Hybrid measurement⁶ is the key for exposure

Exposure, and in particular exposure to advertising, is the key asset and major strength of television viewing on all platforms.

Regardless of how important a metered panel may be for audience measurement, egta feels that, whilst retaining the principle of a single currency in the future, a single source measurement solely based on a metered panel is impractical and no longer suitable. Firstly, because of the required sample size and secondly, obtaining the required data granularity will become an issue for various reasons such as cost, panel compliance, representativeness, and/or burden for panellists.

Similarly, these factors could potentially endanger the quality of the measurement of television, which accounts for more advertising revenues than other screens today. egta therefore recommends that the industry moves towards an audiovisual currency that is the product of more than one measurement - the less different sources the better. An audiovisual currency ought to be a hybrid product that uses the existing TAM system as a basis as well as multiple sources of census data⁷.

Panels provide rich data on reach, duplication and demographics but are limited by sample size, a severe downside in fragmented markets like video on demand. Video census data however can compensate this shortcoming, supplying exposure data to calibrate or adjust panel measurement. Together, both sources should make up for a comprehensive picture of reach, duplication and frequency for audiovisual campaigns, including the overlap of television with other screens.

While the basic approach seems compelling, the exact method to put this concept into practice on a campaign level has not yet been identified. egta is aware of encouraging progress from countries such as Canada, Germany, the Netherlands, Norway, Sweden and the United Kingdom.

4. TAM organisations are best placed to act as watchdogs and to safeguard data measurement quality

The existing television measurement system has been present for many years and has generated a degree of trust amongst all actors in the industry, providing a

⁶ See glossary

⁷ Census data: technical data derived from media servers (online ad server data to measure video content viewed on mobile devices and return path data from digital set-top boxes to retrieve more granular information about households' viewing habits) on the amount and type of audiovisual material (programming or commercials) served to or requested by viewers of a specific video content.

currency for TV buyers and sellers to safeguard the investment of billions of advertising euros.

Hybrid methodologies will undoubtedly take methodological complexity to a new level - possibly surpassing what ordinary subscribers of TAM data can master. This new measurement will need to be under the governance of the national TAM organisation to insure the validity of census data as well as its compatibility with current TV data.

Census data should rely as much as possible on the way existing television measurement standards work and provide results that relate to real audiovisual content viewing, including the aspects of duration (time spent) for any given programme or commercial.

Transparency is a key issue. Any hybrid methodology and its input must be auditable by independent parties, especially if and when the source data comes from external companies such as cable operators, set-top box owners, telecommunication companies, etc. A harmonisation of advertising metadata⁸ might be necessary.

The hybrid measurement will need to offer the possibility to break down the data between specific devices in order to allow for comparability between all devices and the analysis of how devices interact. This would therefore allow for an in depth analysis of the incremental reach of each screen.

5. Planning and trading currencies can be different

In many VOD markets, ad server data have in effect become the currency for trading video advertising exposure. egta members are open to considering the possibility of trading and planning currencies not being the same if that facilitates appropriate measurements for each purpose. That would be for each market to decide. For example, where trading takes place using ad server data, those data usually include out of home viewing as well as that which takes place in home. However, TAM panels normally limit their measurement to viewing that takes place in private homes and to extend that to viewing in any location would be a great complication. Hence in this example, having separate currencies for trading and planning for viewing that takes place on non-television screens with the Internet as the delivery source would simplify the measurement for each.

Obviously any new trading system for exposure to all forms of videos will have to align as much as possible with the current television trading currency as there is currently no way to determine whether the new trading model(s) will work correctly. Therefore, the methodology should again be as transparent and auditable as possible.

⁸ See glossary

6. VOD viewing is always live

Video on demand viewing is by nature always *live* given that a viewer generally cannot record VOD content or advertising to watch it at a later point in time.

This is an important point because VOD content can be available for many weeks. Any attempt to write back its usage to the original airtime of a traditional TV programme would mean keeping television audience measurement data open for a longer period of time (possibly indefinitely).

From an advertising standpoint there is no need for such a decision. VOD-related advertising has no direct parallel within a traditional linear television ad-break. Likewise, VOD ads are not attached to a specific piece of content – in theory, any one viewer of a given VOD programme might be served a different commercial.

VOD advertising is thus always live viewing, starting with the first ad impression served and ending with the last.

7. Big goals in small steps

Last but not least egta advises the television industry as a whole to take an active role in the setup of an extended audiovisual TAM system.

Measuring VOD with TAM quality standards is still largely uncharted territory. There are few obvious decisions or prefabricated solutions waiting to be implemented. This is where leadership matters.

egta would advise its members to be bold in their ambitions, to develop a holistic audiovisual TAM concept and to lead the discussion within their industries. Strong JICs and MOCs will always trigger greater consensus and commitment to methodology.

But at the same time it is advisable to take small and manageable steps in implementing this vision, limiting the risk of failure and using the experience of the first steps to optimise the next ones.

► OPTIONS FOR THE FUTURE

Exposure and effectiveness

egta points out that a media currency is one thing and effectiveness something else. Qualitative and psychographic values such as *ad engagement*, *ad receptivity* or the impact of creativity on memorisation are valuable for advertisers, but they do not come out of media measurement as a standardised metric similar to exposure.

However, egta is aware that additional qualitative research is something that many actors in the industry request in this changing media landscape and agrees that there is a need to measure qualitative elements to complement the existing quantitative research. What needs to be measured is quality and effectiveness with a need to have a clear definition of such concepts. egta favours an *open* model, to avoid reinventing the wheel, within which advertisers, agencies, broadcasters and sales houses could add additional qualitative data to enrich the existing research. Creativity and market intelligence are essential.

Universe definitions

Perhaps at a later stage, TAM organisations will have to review the definition of the universe to be measured.

Some households do not own a TV set anymore, or do not have a TV subscription but do watch audiovisual content via their Internet connection on other devices. At the moment, in most countries these households account for a small proportion only, i.e. 5% or less. The industry will have to determine whether it will make sense to increase the panel representativeness or find other ways to capture the end users' digital audiovisual usage.

Viewing on laptops, smartphones and tablets can take place anywhere at any time. Time-shifted viewing on linear television is only taken into account in the reported figures for a certain period of time after the original broadcast on television (7 days in most countries). As stated above there is no immediate need to alter that concept from an advertising standpoint. Nonetheless, there might be reason to modify the 7-day definition from television to capture more content viewing. However, the need of the industry to get *final ratings* within a reasonable time span has to be taken into account; most agencies and programme makers may not be willing to wait longer for viewing figures of a new programme.

Local needs and European standards

egta encourages a close cooperation of its members in the design and methodological implementation of a holistic audiovisual TAM currency. As with the measurement of

linear television however, the actual methodology is likely to vary from country to country in relation to local needs, resources and circumstances.

Compared to broadcast, viewing on the Internet is by nature more multinational because online content can be accessed from anywhere in the world. Whether this will lead to multinational TAM projects or harmonisation remains to be seen in the future.

As a possible first step, the quantity of content that may be available and measured may encourage the development of multinational content metadata coding systems (both for programming and commercials).

CONCLUSIONS

The road is still long but broadcasters are determined to play an active role in the future development and possible transformation of audience measurement solutions.

In the era of big data, it is of utmost importance for all partners of the industry to work hand in hand.

In this new media world, planning and investment decisions must be based on reliable data that allow all actors to plan and understand the impact of any combination of platforms, channels, and devices for a campaign's success.

All attempts towards reaching this goal will be appreciated and the industry will only learn by doing. egta believes it is important to define some basic guidelines and principles from which all efforts can stem. The association welcomes any suggestion, contribution or additional comments.

* * *

Audiovisual (AV) content

Broadest definition of video content, be that linear or on demand, whether professional or not, including user-generated content in so far as possible.

Census data

Technical data derived from media servers (online ad server data to measure video content viewed on mobile devices and return path data from digital set-top boxes to retrieve more granular information about households' viewing habits) on the amount and type of audiovisual material (programming or commercials) served to or requested by viewers of a specific video content.

Hybrid measurement

Concept where the information of different measurement approaches is merged into single dataset (e.g. in audiovisual measurement, the combination of census data (total exposure) with panel data (demographics and frequency)).

Linear television / traditional television

Television channels broadcast on traditional platforms like terrestrial, cable or satellite; in some cases also via IPTV. In all cases a viewer has no control over the programme schedule except through the recording of specific programmes and watching them later.

Metadata

Digital data that helps organise electronic resources and provides digital identification of a video content.

TV-assimilated content

For example, videos produced around a given programme that are not broadcast on air but that are available on the broadcasters' online video platforms or content where quality equals that of television content.

Video On Demand (VOD)

Video programmes available on a remote platform that can be requested individually by a viewer on devices like computers, tablets, smartphones or connected TVs.

Viewer-centric / Consumer-centred approach

The viewer-centric approach concentrated on the individual. The idea is to follow the viewer's eye balls and to measure him/her on whichever platforms he/she is viewing content on.

D I S C L A I M E R

The views expressed in this document are the conclusions reached by the egta audiovisual working group. These recommendations are to be considered as a reference framework already approved by the egta board.

A C K N O W L E D G E M E N T S

egta would like to thank the co-Chairmen of its Audiovisual Currency Working Group:

Robert Schäffner, *Head of Media and Market Research, IP Deutschland – DE*

Ivor Millman, *Television Measurement Expert – UK*

for their hard work and dedication and to acknowledge the work and the contributions of all participants of this working group.

