

Address Critical Measurement Issues

AUDIENCExSCIENCE

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TRIP REPORT

Tuesday, June 12 – Currencies & Ad Delivery

Opening Remarks

Scott McDonald, Ph.D. – President & CEO, ARF

Summary:

Audience Measurement, in its 13th year, is one of the ARF's most popular conferences because it offers solutions in addition to shedding light on problems. For example, at last year's main stage, a comment on the need for ingredient-labeling for data led to a partnership with the DMA and CIMM to bring it to life. We are currently at the proof of concept stage for scalable tools to accurately assess datasets in the market right now. A report will be announced by Fall.

We fall into the trap of despair thinking that there won't be solutions in audience measurement, such as "measurement is broken." But about 90% of viewing minutes are captured by existing systems. There is a distorted picture by focusing only on the gaps - the small percentage that is not measured. Let's not underrate progress that has been made in cross-platform measurement. We don't have 100% consensus on unified measurement, but there have been credible proposals (e.g., MRC, CIMM). A steady progress has been made with methodological, empirical process. If impatience leads to sharper focus and investments, it's great, but let's not let it lead to cynicism, lazy approaches, and despair. Instead, let's look ahead with optimism and pragmatism.

The Most Important Audience Is the One You Already Have

Nishat Mehta – President, IRI Media Center of Excellence

Presented by:



Summary:

Owned media platforms provide an opportunity for unique connections in a fragmented landscape. Why owned media? For CPG brands, owned media program members: buy your brand 5% more often; spend 14% more on your brand; and are 36% more likely to stay engaged with your brand. Knowing your members and personalizing their experience pays off as owned members are often price-sensitive, but not always low-income. They will still buy the competition but a rising tide raises all boats, and increase in category buying means more opportunities to capture share in the future. Additional long-term value: CRM programs drive lower brand attrition, higher retention, and higher acquisition rates.

Steps to leveraging owned media:

1. Understand what your members buy – both your brand and competitors. What do they buy in the overall category across all channels (e.g., grocery, drug, club, mass, c-store, dollar, e-commerce)?

2. Marry up member program engagement with consumption. How do they engage with the CRM program? What content do they consumers vs. with what ads do they engage?
3. Understand everything else about the consumer. There are certain datasets out there specific to your category (e.g., weather is tied to soup consumption). Make sure that all relevant data, including your owned media, is collected and fed back into the system. Overlay with comprehensive attribute data to understand attitudes and motivations.
4. Segment to uncover unique consumer groups within your database.
5. Build personalized experiences based on member preferences and interests.

Best practices:

- Personalization makes a huge difference: it drives additional uplift of 2-5%. In an owned media program, four out of five are comfortable with data exchange for a more tailored personal experience.
- The introductory “hug” in the first month of activation is crucial.
- Brands with a multichannel media strategy often garner the most uplift.
- Surprise and delight is one of the best performing tactics.
- Return is highest for programs that are points-based.
- Online engagement often does not correlate with sales lift. Do not use as proxy for one another. However, as more CPG moves online in the future, it’s likely that we will see a tighter connection between online and purchase.
- Your owned media consists of cherry-picked beta testers so test innovation. As Facebook will no longer provide third-party audiences, the next five years will show a growth in first-party data.

The Future of TV's Currency and Measurement

Linda Yaccarino – Chairman, Advertising & Client Partnerships, NBCUniversal

Dave Morgan – CEO, Simulmedia

Summary:

NBCU is used to competing against legacy media companies, but now, they must learn to compete against Apple, Google, Amazon, Facebook. To meet these changes and challenges in the industry, TV needs to get smarter through monetization, data capability, and measurement. The industry should not be tied to legacy measures or back office systems if they are not in step with the dynamic changes in consumer behavior.

Key highlights:

- **What is important to communicate to the market?** Fight the false narrative that drives clients to the surface appearance of an efficiency CPM in digital. Acknowledge the fragmentation and that consumers are liberated from watching ads, but communicate the relative value of what you’re buying – the value of premium content vs. non-premium digital video.
- **There is a knowledge information gap (e.g., there is an equivalent of ½ of Missouri without broadband) – how to fill this gap?** The premium content industry needs to hire a Chief Marketing Officer. The EU is much better at this with the EGTA, Thinkbox. The power of placing your ad with a premium content makes a hell lot of fiscal sense and impact.
- **We need to take big swings, try something different.** The meeting NBCU hosted at the end of 2017 challenged legacy approaches. For the Olympics, NBCU provided all screen measurement – a strategic first step. Also, outcome analysis should be standard/appropriate for everything within three years. Now NBCU has the tools to move campaigns in-flight to ensure delivery of your segment where your spot resonates the most.
- **Days of single currency proving impact is probably not the future of the industry.** Hoping to work with Nielsen to move faster. NBCU is very bullish in working with partners to prove to advertisers that their

outcomes are being met.

- **Clients shouldn't accept walled gardens, "grading your own homework" audience measures** such as those produced by Facebook and others, or lack of discipline in handling consumer data. Cambridge Analytica was just tip of the iceberg. When you are investing in these platforms, you need to ask yourself: What's next? What don't I know?
- **Attribution methods that focus on the last click ignore the overall impact of TV throughout the purchase funnel.** Direct campaign cannot function successfully without the top of the funnel - brand awareness. You cannot make the last click without the first impression. TV fuels the purchase engine. When you don't have it, everything suffers. TV is expensive, but it should be, as it carries all of the water for the rest of the industry.
- **When advertisers buy direct, does this challenge the agency partnerships?** TV used to be in the B2B business, but now is in the DTC business. NBCU has client-partnership teams, solely focused on clients and business development directly with the marketers. It's not exclusive of agencies, but they will not apologize for speaking to them directly. At last year's upfront, the NBCU portfolio grew 6% (e.g., NBC broadcast, Telemundo, E), but their client partnerships grew 28%. When they have laser-like focus with partnership direct with marketers, it grows more than the general marketplace.
- **Full-on, all-screen measurement, is table-stakes for next year's upfront.** Transacting on impression basis cannot remain robust and profitable if we cannot reflect consumer behavior. Challenge legacy. The consumer is decades ahead of us.

Nielsen's View on Media Measurement

Megan Clarken – President, Watch, Nielsen

Scott McDonald, Ph.D. – President & CEO, ARF

Presented by:



Summary:

From capturing subscription-based streaming to out-of-home audiences, Nielsen continues to drive innovation to follow the consumer and their evolving media consumption habits. Scott McDonald interviewed Megan Clarken to discuss Nielsen's continued transformation to capture consumption across the expanding media landscape, and her view of the way forward as the industry grapples with advanced TV advertising, audience-based buying, walled gardens and the shift toward measuring attention and reaction metrics.

Key highlights:

- **From a measurement angle, Megan sees the industry as a video industry.** Watch has a video perspective. She sees more convergence between TV and digital. Companies are in each other's spaces.
- **There is a need to measure all viewership in a consistent way.** Consumers have never consumed as much media as they do today, partially as a result of multi-tasking. It's tricky to measure, but there's never been a better time to do it. Investments in content are huge; for example, Netflix, TV networks, new players are paying a lot for content. Media is consumed across all devices, and is impacted by IoT. The industry is focused on developing consistent measurement across all those devices.
- **What percentage of consistent measurement can we hope for?** Just above 90%. Measurement now more than ever is a team sport. We cannot measure passively across panels. Now, we are using census measurement. Publishers must install the relevant software, and get it implemented to close gaps from the client's perspective. Consistency across all media is essential.
- **How to approach walled gardens?** Nielsen has good participation from the digital players (Facebook, Google, plus the other digital-first players). It has taken a lot of effort from everyone. Competition for ad dollars requires this participation. Advertisers and agencies are demanding this consistent measurement, which puts pressure on the industry. You must submit to be measured in order to be a player. For instance,

Walmart could not see what their competitors were doing when they were in a walled garden. Meagan is optimistic that this measurement will be achieved.

- **Measuring attention and emotions is important. How does Nielsen approach this?** Reach and frequency will always be the basis of measurement. De-duplication is critical across platforms. Until we get this right, we cannot get to the next level, such as engagement, resonance of the ad or ROI. ROI is tricky. Nielsen thinks about ROI broadly. It is not just about media. There is a need to measure all points across the purchase path.
- **Scott noted that the idea of building audience targets relies upon a strong U.S. Census.** However, there has been lots of controversy about the upcoming census. The ARF is preparing a POV on this subject, which includes a concern about the undercounting of the Hispanic population. It's important for many businesses to understand the true size of their audiences. When Nielsen picks a panel, they handpick those panelists to make sure that the panel reflects the larger audience. It is critical to understand populations.
- **What are the trends concerning the upfronts?** The upfronts are different every year. Nielsen finds that the upfronts is a good stepping stone to moving the industry forward; for example, towards audience-based buying. Providing an API is helpful.
- **There is a tradeoff for new measurement products. What will the market pay for?** Quality is important and comes at a premium. At the end of the day, money should go to the highest quality data possible.

The Future of Media: An Epic Battle

Laura Martin, CFA & CMT – Senior Analyst, Entertainment & Internet, Managing Director, Needham & Company, LLC

Summary:

What is Wall Street's perspective on the battle between the FAANGs (Facebook, Amazon, Apple, Netflix, Google) and the TV industry? FAANGs are huge, with their market cap dwarfing those of TV and Telecoms. Being mobile-based, they have also grabbed global market share with younger audiences. The key advantages of the TV ecosystem: storytelling excellence and ability to connect emotionally. A "dirty little secret" is that all FAANGs advertise on TV, so they know its value even if they talk it down. Additionally, most SVOD money ends up going back to the legacy media through licensing or production.

What happens next?

- Structural media trends – there will always be new tech.
- Choice in OTT will grow, but it's niche or additive, not a take-over.
- Challenges in clutter and content discovery.
- Smaller bundles will have better adoption than à la carte.
- Dual revenue streams (ads and subs) will beat single revenue streams.
- Cluster theory (geographical co-location of competitors in an industry) suggests that there is a big moat for Silicon Valley to cross in terms of competing on storytelling. Storytelling is different from coding and distribution. There are culture and talent issues.

Conclusions:

- Multiple big companies with overlapping agendas matter.
- There is no ad fraud in TV, like with digital.
- Sound, motion, storytelling, emotional connections all matter.
- TV incumbents must get bigger to compete.
- TV Everywhere and linear TV ad targeting will help.
- GDPR means a walled garden win – they have an excuse to not share their data.

- The digital aggregators' Achilles heel: their smartphone focus; the USA market is not big enough; they must fight each other.

Final takeaway: FAANGs will not be successful in "defeating" television because of the need for storytelling excellence and creation of emotional connections. The only path to success for FAANGs is to acquire a media company outright and let it do its thing. But legacy media must get bigger to compete.

An Evolving Arena: Program Currency and Measurement

Lisa Heimann – SVP, Multiplatform Research, NBCUniversal Media, LLC

James Petretti – SVP, U.S. Research and Analytics, Sony Pictures Television

Moderator: **Will Kreth** – Executive Director, Entertainment Identifier Registry (EIDR)

Summary:

Programming is a form of currency as well as ad revenue. Understanding how programming works on different platforms is critical to the ecosystem. Look at the opportunities to put your ads in the right programs. There's a need to understand from the programming side, how does someone discover a program and continue to watch that program?

Key highlights:

- **Catch-up TV is an important behavior.** As viewers are discovering shows later in the season and on different platforms, the industry needs total audience viewing measurement information. Shows also need more time to be successful. This approach also benefits the advertisers. For example, The Blacklist – viewers came later to view it via streaming or VOD, and ended up becoming fans and watching linear. Nielsen data shows a 15% overlap between Season 4 "catch up viewers" via streaming and linear viewing of Season 5. Another example is that Hulu homes (Hulu is the exclusive streamer of Seinfeld) have higher linear ratings for Seinfeld in syndication than non-Hulu homes.
- **Demographics is an important part of the story. Make good programming, put it in many places, and monetize it.** The engagement, loyalty, fandom of those viewers and subscribers are important. There is a need for enough information on each piece of content to drive traffic across platforms.
- **In terms of program renewals, complete viewing statistics on all platforms is vital.** This data is needed to make optimal decisions and to look at the brand in totality. A viewer discovering Season 3 programming of a particular show will go back to view Seasons 1-2 on another platform.
- **Ideally, partnerships are needed to support these solutions.** Re-trans value, subscriptions, franchise value, branded content extensions, international sales can be optimized if full audience viewership data is known.
- **Synchronizing the programming windows is important.** For example, when a new season of a program is being introduced, early seasons may still be running in syndication. There is a vital need to develop a joint plan to promote the program across platforms.
- **The industry should be having an open conversation about transparency.** Not all of the companies want to be part of this shared system.

Key takeaways:

- Revenue is coming from broadcast/studio programming as well as from the ad revenue side. However, the complexity of measuring program content is deepening.
- Full audience viewership across all platforms is essential - total sales across platforms can be optimized if full audience viewership data is known.
- Broadcast and studio leaders need to discuss the ways in which they are optimizing content and finding measurement solutions.

An Agency Perspective: The State of Media

Lyle Schwartz – President of Investment, GroupM North America

Interviewer: **Joe Mandese** – Editor in Chief, MediaPost

Summary:

This fireside chat touched upon the role of research in advertising, the media measurement and investment landscape today, and what it all means.

Key highlights:

- **There are two types of research: theoretical and applied. How do you actually make money - leverage it in the marketplace?** Research is far more important than ever before, but not as half as much as it used to be. GroupM is asking more from research and extracting less and less. We are stuck using approaches and strategies from 20 years ago that haven't evolved with the consumers, media, industry. To the degree that we are now, today, more than ever before, we can apply various components to anything; however, we are still buying and selling off demographics – because it's the only agreement between buyer and seller as the base line.
- **Due to fragmentation, is it necessary to process more data?** According to Lyle, he doesn't need more data, he needs more information. Data is worthless, it's information. It's not the number of records, it's whether you can extract something valuable out of it. Unless it's information he can use on behalf of his clients, it's no use to him.
- **With GDPR, what is GroupM doing differently?** There's a line where you can't cross – take a step back, the potential loss is so big. GDPR will make some types of data go away, knock out several companies that are using it not so nicely, and some data will be better and cleaner, which will lead to better utility.
- **What is on the horizon that could disrupt the supply and demand in media?** Lyle is waiting for something that could tremendously change the face of the industry, including runway for the pipeline, greater consolidation. The AT&T and Time Warner merger will open gates for three to six more media consolidation deals.
- **Will a third of ad impressions disappear in the next few years due to ad-blocking?** Lyle thinks the 30% is too high. Cost of SVOD will change consumer perspective. Most disruptive thing Lyle is afraid of is Voice diminishing discovery and channel awareness.
- From Jane Clarke: proprietary measurement systems - advertisers, agencies, everyone is bringing in their own data. **Going forward, what is the common, third-party core data?** Lyle answered that he believes that there is a place for proprietary measurement or attribution systems. Advertisers will keep the currency baseline data systems and keep adding their "secret sauce" on top.
- There's new ways for the consumer to experience the content on different devices, but there are unsavory things around the side. **How do you deal with the brand safety issues around non-linear consumption?** Lyle answered that brand safety is a continuum, and depends on the brand. Different clients have different levels of what they consider safe. There's trade off in reach and frequency and sales.
- According to Lyle, **we have to constantly remember that research follows the consumer.** As a buyer, he's always trying to figure out the next step, where they are going, but the future is not the easiest to predict – what will be the next device?

ADVANCING CROSS-PLATFORM MEASUREMENT

Taking Stock of Online-Offline Metrics

Curated by ARF's Cross-Platform Council Working Group on Online-Offline Measurement

Risa Becker – SVP Research Operations, GfK MRI

Josh Chasin – Chief Research Officer, comScore, Inc.

Jessica Hogue – SVP, Digital Client Solutions, Nielsen

T.S. Kelly – SVP, Research, Alphonso, Inc.

Steven Millman – Chief Scientist, Simmons Research

Chris Squires – Sr. Director of Products, Samba TV

Moderator:

Charles Buchwalter – Independent Consultant, Buchwalter Media

Summary:

In 18 years, digital ad spend far outpaced TV spend – but things are seldom what they seem. For instance, digital viewing of live linear TV is still very small – counter to what’s been written about in the press. There’s a need for comparable apples-to-apples metrics so that we are telling the truth about what’s happening. The ARF’s Cross-Platform Council’s Working Group aims to create the definitive overview of current leading approaches to integrating the measurement of online and offline. In pursuit of this goal, the group surveyed eight companies about what media they track and what metrics they use. The Council found that there are lot of metrics but not much overlap. In this session, Nielsen, Alphonso, Samba TV, GfK MRI, Simmons Research, and comScore presented on their respective cross-platform offerings and methodologies. They also addressed top issues and challenges in cross-platform measurement.

Advancing Cross-Platform Measurement

Jessica Hogue – SVP, Digital Client Solutions, Nielsen

- Without comparable metrics, we’re speaking different languages. Comparable metrics are pivotal to driving efficiency across platforms.
- What are the metrics today?
 - Linear TV + OOH: average commercial minute ratings
 - VOD/SVOD: stream counts, downloads
 - Dynamic digital: views/impressions
- Current crediting qualifiers:
 - Live TV, DVR, TV VOD, OOH: “win the minute” where credit for the full minute is given based off of who has the plurality of seconds in a given minute.
 - Linear mobile + computer: 30-second qualifier where credit is given only after 30 seconds of viewing has occurred.
 - Dynamic mobile + computer: currently no qualifier – credit is given as soon as content renders. MRC Standard: where credit is given if the ads is viewed for two seconds and at least 50% viewable.
- Total Audience ratings aligns platforms and monetize models with -modular sets of tools across panel and census instruments. We are not walking away from metrics used for media on their own.
- Build off the basic building blocks. Add viewing experiences across different business models.

Online – Offline Metrics Discussion

T.S. Kelly – SVP, Research, Alphonso, Inc.

- Alphonso measures real-time TV viewing data on content and ad exposure, and what viewers do next after the exposure.
- ACR – Auto Content Recognition creates a unique TV data set. SDK deployed across Connected TVs, mobile devices, and STBs – connects to TV Data Cloud to report real-time, unique viewership and ad exposure at device level.
- Indexes every brand, content, and ad to create a digital signature, housed in a digital cloud.
- The largest deterministic TV viewership data set (34M Households), indexed in real time. Household footprint validated by Experian through Device ID and IP match.
- Fully deterministic device graph that allows brands to post TV exposure. Linking TV exposure to other media outcomes.

Cross-Platform Measurement & Metrics

Chris Squires – Sr. Director of Products, Samba TV

- By combining content ID (video algorithms and machine learning instantly identify all TV content) and Device Map (14.4 million households), Samba TV provides audience segments for digital activation based on TV viewership.
- Proprietary graphs – deterministic 1 to 1, digital viewership across all platforms.
- Focused on outcome based measurements – evaluates effectiveness of TV investments to predict the impact on digital responses.
- Trying to unify definitions on audience measurement key metrics: impressions (distinct TV ad exposure – min 5s, or digital pixel impression); reach (de-duplicated household reach across TV, mobile, tablet, laptop); frequency (distinct exposures across all platforms measured – TV, video, rich media, display, native, social).
- Attribution and performance key metrics: conversions (distinct conversion events across web site visitation, mobile app, store visitation, sign-up/lead, or purchase event); ad efficiency (calculated by frequency per conversion, ROAS, and optimal frequency); lift (identify incremental gains after exposure across TV, OTT, and digital using synthetic control group at local, regional levels).
- Measures content (partnered with Experian, Acxiom, Epsilon), including cable channels during traditionally unmeasured time period.
- Real-time dashboards.

MRI Methods & Metrics

Risa Becker – SVP Research Operations, GfK MRI

- Survey of the American Consumer Survey is based on personal interviews in respondents' homes (24,000 homes annually), followed by self-administered surveys. High response rates with high probability sample
- A multi-media, single source survey - the currency for print.
- Magazine Metrics: Average Issue Readership (reading/looking into any issue in publication frequency, reach/frequency and qualitative measures); Digital Edition & Websites (estimates within publication frequency period); Cross-platform (print/digital reach – NET of average issue hard-copy, and digital edition estimates (not website-only); Starch AdMeasure (ad effectiveness metrics providing ROI beyond Opportunity to See).
- Other media: video (TV, streaming); audio (radio, formats/networks, streaming, podcasts, internet/app, satellite, AM/FM); internet/social (site visited, app used, activities last 30 days); national newspapers (daily, Sunday/weekend, websites, apps).
- Client could put together metrics on their own using cross-tabbing.
- Fusions (comScore and Nielsen) combine currency measures in one datasets.

The Simmons Rosetta Stone: Defining a 360° view of the American Consumer

Steven Millman – Chief Scientist, Simmons Research

- The National Consumer Survey (NCS) is a person-focused instrument that allows for a 360° single-source view of the American Consumer.
- Primarily relies on self-reported data and covers all areas of media consumption. Also brand use, lifestyle, demographics, and psychographics
- Clients use these data to develop personas, market segmentations, marketing plans, and as a Rosetta Stone. Helps them learn much narrower about larger issues.
- Media measurement: TV shows (includes level of attention); magazines readership; radio programs (weekly and weekend and time periods, dayparts); newspaper readership; movies (attendance, genre, where viewed); media devices (type owned, usage); streaming media devices/services (device type owned, device usage); unique web sites visited (app or website visited); online activities (includes used on mobile or handheld device); apps (smartphone or tablet); Fantasy Sports participation.

- Ability to expand the value of these data by combining them with other data either through direct match or modeling (fusions). Goes beyond demographics and with machine learning process, know what's the best path to move from one dataset to another.
- Current media fusions – Simons Connect (much larger sample of devices to better understand mobile/desktop behaviors and psychographics); Nielsen Integration; comScore Fusion; Simmons Activation.
- The future: digitizing core probabilistic sample; near doubling of current sample size by end of year (25K probabilistic sample + 22K non-probability sample), using online panels for scale and speed; calibrating these panels for debiasing and projection.

Online/Offline Metrics Convergence

Josh Chasin – Chief Research Officer, comScore, Inc.

- Increasingly, metric creation both online and off is a matter of standards compliance (e.g., viewability, invalid traffic, audience reach measurement, cross-platform GRPs).
- Lot of governance for metrics but not a lot of latitude. For their MRC audited services, comScore found 520 pages of US standards to adhere to get the accreditation.
- Core measurement blocks: How many different people were exposed? - reach, unique audience, cume (and what were the relevant descriptive characteristics?); How often were they exposed? - frequency; How long were they exposed? What constitutes an exposure? - duration, share of ad in view, other considerations?
- What is unique in comScore's data collection method? Scale – 1M digital panelists, 70K cross-platform TV panelists, 194M desktop screens, 240M mobile (phones & tablets), 35M OTT devices, 65M TV screens, 111M VOD screens, 42K movie theaters in North America, 125K global movie theater screens. Philosophy: census/big data asset-based and panel informed.
- How are comScore's metrics defined? comScore offers hundreds of metrics across all of their service offerings. Right now, their ad audience definition is different online (impression counts) vs. offline (in TV, average audience). But this reflects the way that these media are bought and sold. MRC cross-platform standards will drive industry cross-platform unification of exposure definitions/impressions/GRPs.
- Practices/breakthroughs in unifying offline/online metrics: imbuing big data assets (set top box data, digital census data, overlap/convergence data, device graphs) with the characteristics of panels via cutting edge data science. comScore has developed assets and methods to enable understanding at a granular level how cross-platform audiences truly duplicate and overlap.

Key highlights from audience Q&A:

- **How do you adapt when the exposure measurement should adapt to the ad format?** Jessica Hogue (Nielsen): Need research on impact of ad format – then how do we create metrics to reflect this measurement; e.g., dynamically served is different from linear.
- **What accounts for differences in metrics even when everyone is adhering to the same standards?** Josh Chasin (comScore): Not all of the viewability providers are providing the same pool of services. For brand safety, not counting certain ads, or companies having different capacities for detecting fraud will lead to different denominators. Also, two tags from providers on the same creative - are they firing at the same time?
- **How do you handle de-duplicated reach?** Chris Squires (Samba TV): We aren't paying on de-duplicated reach at the moment. The focus is on the household and working on identify space (with Neustar and Experian) on better path to purchase, bought at household point. Steve Millman (Simmons Research): Because we are a survey, everything is single-source. When matching with other data, opportunity to see the real relationship.

TV Everywhere: How Your Advertising is Working on Every Screen

Jessica Chonody – VP of Ad Sales Research, AMC Networks

Gil Cuffy – Director of Digital Marketing, Pepsico

Ed Kim – VP, Strategy, Nielsen Catalina Solutions

Summary:

Rather than TV vs. Digital, it's how advertising works across TV+Digital. Viewing behavior is shifting – back in 2014, 2/3 of TV viewership preferred set-top box, now it's online. TV is more digital like with data-driven linear TV, addressable TV, and OTT/Connected TV. Advertiser challenges: Complex video ecosystem is hard to measure. They have more ways to place video commercials, but quality can be inconsistent. How can they measure the impact of their cross-screen campaigns in relation to sales?

Case studies:

- **Hulu & CPG Brand:** Objective was to drive incremental sales of brand in the general merchandise category across Hulu's platform across desktop, mobile, Connected TV. Campaign resulted in positive sales: +4% incremental sales; \$43.54 incremental dollar per thousand impressions, 61% from previous buyers, 39% from lapsed buyers.
- **Fox Digital & CPG Brand:** Objective was to drive incremental sales across Fox's digital landscape – desktop, mobile, and Connected TV. Campaign resulted in +22% incremental sales, \$22.49 incremental dollar per thousand impressions – 90% from previous buyers; 10% from lapsed buyers. Households exposed to Mobile only and CTV only had the highest contribution to incremental sales.
- **AMC Network's The Walking Dead & Mountain Dew:** Objective was to measure the sales impact of exposure to Mountain Dew's National TV and Digital campaigns to support their sponsorship of The Walking Dead's 100th episode in Fall 2017. Campaign included The Walking Dead Mountain Dew packaging and full integration within the show with Augmented Reality (take a phone to unlock "a walker" during the episode and share with your friends), linked to integrated promotions.
 - Results: The Walking Dead is #1 among 18-49 and among Mountain Dew drinkers. The Walking Dead Encounter App: 1K downloads a day. There was cross-platform promo into the app and in-store. First Augmented Reality spot, 2K downloads on premier. Continued to grow week over week. Total downloads: 137.1K.
 - The AMC campaign resulted in positive ROAS – 91% sales from previous buyers; 9% from lapsed/new buyers.
 - Incremental sales across digital platforms but desktop did the heavy lifting.
 - What made this a success? The campaign connected the core Dew consumer segment and the passionate TWD fans across multiple touchpoints. By creating experiences in appropriate and organic ways, we allowed the consumers to engage and deepen their fandom for both the product and the program. This partnership resulted in increased awareness, sales lifts, social engagement and consumer satisfaction.

Best practices for cross-screen campaigns:

- Be holistic to match today's TV audience.
- Enable audience or "purchase-based" targets across TV and Digital Video.
- Measure both who's watching and sales outcome driven by cross-screen campaigns. Factors that impact how much each platform drives incremental sales, include brand penetration, size of the media campaign (net reach of the media buy), length of the campaign.

Omnichannel Sales Insights: Bridging the Online to Offline Divide

Emily Ray – Director of Data Operations, Oath

Carl Spaulding – EVP, Product & Strategy, Nielsen Catalina Solutions

Janelle Bowman – Director, Insights & Planning, Kellogg Company

Kyle Brennan – Programmatic Associate, Anheuser-Busch

Summary:

Digital advertisers have traditionally been able to optimize conversions based on digital data, but this has been a barrier for CPG companies, who had to use proxy KPIs for in-flight analysis for offline sales. Oath's in-flight sales analysis (which matches user level cross-platform digital exposure and Nielsen Catalina Solution's household in-store product purchases) offers a way to apply learnings for campaigns on a weekly basis to complement post-campaign measurement. To validate this approach, an A/B test was conducted, which showed that in-flight sales based optimizations drove 29% higher ROAS than performance optimizations alone.

Test cases:

- **Kellogg's.** Wanted to put multiple creatives out there to multiple audiences, and learn which one is working best. A nine-week campaign during 4Q 2017. Launched with multiple creatives, and eight different target audiences. Began optimizing to more responsive audience after two weeks, continued with weekly optimizations. Results: significant double-digit increases in ROAS, sales lift per HH. Optimized cell had significantly more volume from new buyer HHs.
 - **New path of continuing learning:** Step 1 - launch campaign with multiple targets and creatives; Step 2 - continuous optimizations to those responding strongest to creative messages; Step 3 - optimize creative; Step 4 - measure with NCS sales lift for granular level performance improvements; Step 5 - measure with MMM to monitor overall channel level performance improvements.
- **Anheuser-Busch.** Wanted to see real-time results in a matter of weeks, rather than months. This limits a campaign to have only one or two brand strategies, and then you have to wait months for results. By the time A-B got the results, they were already in next flight, and didn't have time to activate the learnings real-time. Insights gained on audience bought sales from new customers, penetration lift, true incremental market gains.

Key takeaways:

- Oath ingest NCS data on a daily basis, quarterly match – match rates targeted 90%, untargeted 30%.
- Purchase data metrics – calculation of sales estimation for every cohort of households, combination of actual data and modeled data through homescan, retail measurement services.
- Optimization against the actual tactics, not against control. Control built using Oath look-alike modeling. Directional indicator, not 100% parity with NCS.
- In-flight analysis can act as diagnostics for your marketing mix and provide a more complete story.
- However, don't expect to get rid of KPIs. They can be early indicators of offline sales.

Audience Transparency through CN1

Donna Sabino – VP, Ad Sales and Custom Research, Condé Nast

Jim Collins, Ph.D. – SVP, Research GfK

James Muldrow – Sr. Director, Product Management, comScore, Inc.

Summary:

Measurement competitors came together to paint a complete picture of a cross-touchpoint audience for Condé Nast. CN's brand community is 65 million and growing. It includes magazines/tablets/smartphones, Web, apps/e-readers,

newsletters, radio shows/podcasts, streaming TV series, events, books and licensees, and followers across social media.

CN presented its vision of a single-resource solution:

- Measure the audience across offline, online, and social media channels.
- De-duplicate consumer touchpoints and overall brand experience.

Unified measurement is the industry's goal. Total audience numbers are currently being developed in many different ways. CN wanted to develop a single-resource solution in order to develop a total brand picture. One of CN's goals was to best service their advertisers across CN's brands. Digital is increasingly important to CN. Social media is a way to communicate with younger audiences, and a way to introduce these brands to an audience that can age within CN's brand community.

The researchers chose to use the Fusion (GfK MRI/comScore) product, but added social media (comScore's ListenFirst product).

Steps in this process to develop a picture of CN's total audience:

- GfK MRI/comScore Fusion
- Integrate social data integration
- De-duplicate

Key takeaways:

- Unified audience measurement is critical.
- Condé Nast is continuing to work towards an industry-standard single source audience measurement solution.
- The AUDIENCExSCIENCE audience was challenged to participate in this plan to build an industry single source solution. CN is seeking partners to help further the goal.

THE FUTURE OF MEDIA

Cord Cutters: Reaching the Unreachable

Dan Robbins – Head of Ad Research, Roku

Summary:

To better understand the state of cord-cutting, and how to connect with the new TV viewer, Roku surveyed 14,000+ Roku homes about cable behaviors, attitudes, and preferences. Each survey response was appended with second-by-second OTT streaming data. Also, over 20 homes were subjects of one-on-one interviews.

There are three main trends:

1. There was a 2013 inflection point where the yearly change in traditional pay TV subscription rates went from positive to negative.
2. There is less viewing of live linear TV
3. Streaming is now mainstream, with 74% of adults reporting a connected device in their home.

Roku today has nearly 21 million active accounts (Q12018). Roku homes now represent the overall US population rather than just early adopters, a change seen over the past few years. But Roku homes are still (not surprisingly) much higher non-pay TV than the total US population.

Roku looked at four segments: cord-cutters, cord-nevers, cord-shavers, and traditionalists. Cord-cutters and cord-shavers look similar. Cord-nevers are younger. Unscripted programs (news, sports) are more popular genres for cord-shavers and traditionalists than for -nevers or -cutters.

What influences each group?

- Cord-nevers: Friends, Fees, Facility (ease of use).
- Cord-cutters: Too expensive, too many channels, watches same amount of traditional TV since cord-cutting.
- Cord-shavers: DVRs important, live is important, find it easier to find something to watch on cable than streaming.
- Traditionalists: Easier to find content on cable, preference for unscripted, like to watch live/at original broadcast.

Motivations for cord-cutting? There are two groups: Transactional (content, convenience, cost) and Emotional (exploring, life triggers, feeling of beating the system).

How to engage with cord-cutters? This year Netflix is releasing one show every 13 hours to keep up with new content. But ad-supported channels show the biggest growth – 87% will not pay any amount to avoid ads. Time spent streaming on Roku increases 3x when a home cuts the cord.

Key takeaways:

- Streaming is mainstream.
- Both free and ad-supported channels have a home on OTT.
- Cord-cutting is both a generational and a phenomenological behavior.

Ground Truth: Upgrading Survey-Based Audience Measurement

Bob Wood - VP of Research, Resonate

Presented by:
resonate

Summary:

Bob Wood opened by discussing several types of audience measurements using surveys, both offline and online. Resonate does a continuous survey that ties together a survey and cookies to observe and predict.

There is lots of bad data, but how do you know? Survey data quality is impacted by fatigue, bad design, and a “piece-rate” attitude (do more to get paid more) by respondents. Bad data quality can skew data, muffle signals, and lead to expensive incorrect business decisions.

Bob presented a number of different methods used to combat respondent “bad actors” but his analysis concluded that none of these are very helpful, except speeding analysis in extreme cases. Better tell-tale signs of fraud are looking for rare response pairs (e.g., some selects both “I am a Christian conservative” and “I am pro-life”). Speaker used these plus Bayes Nets to calculate a “Fraud Detection Score”.

Key takeaway: Bob’s analysis shows 15-20% of responses could be fraudulent. Since many audience measures are based on respondent-given survey results, there could be a significant impact on the quality of those data.

Feed & Stories: Capturing Attention and Driving Results on Instagram

Shawn Baron – Marketing Science Partner, Facebook

Vicki Molina-Estolano – Consumer Research Manager, Facebook

Presented by:



Summary:

This paper discussed the differences between Instagram Stories and the Instagram Feed, and how those differences can impact how a marketer creates and uses Stories. Facebook did a quant survey with 2,400 daily Instagram users and a qual diary study with 40 daily Instagram users.

Stories are preferred vs. Feed for seeing friends in real-time, and when one wants to be “playful”. The brand connections in Stories have more relevance than in Feed. Stories create inspiration and excitement whereas Feed is seen as calm and relaxing.

Stories are creative and seen as the place to go for unfiltered, in the moment content. This “raw” perception can translate to business by giving consumers a behind-the-scenes, insider view of a brand.

Creative learnings reflect the mobile best practices already expounded by Facebook: Use time wisely; mention the brand in the first three seconds; highlight the brand throughout the ad; and design with the end objective in mind.

Facebook worked with a partner, MetrixLab, to develop a pre-testing method to score Breakthrough and Response.

Key findings were:

- Use speed as a creative tool – play with it.
- Multiple short scenes work better.
- Sounds add relevance (60% of Stories are watch with sound on, much more than Feed).
- Bookend with the brand (start and finish).
- “Play” more – be playful.

Key takeaways:

1. Understand how to complement Feed with Stories.
2. Understand how consumption of Stories differs from Feed.
3. Consider peaceful (Feed) vs. exciting (Stories).
4. Use the creative options available within Stories.

How Viacom Uses AI to Optimize Social Campaigns

Matthew Moocarme – Sr. Data Scientist, Viacom

Summary:

Accurate predictions lead to a good plan, which leads to efficient execution, which leads to a happy client. Viacom analyses their social data in aggregate, they have 960 handles across the major social platforms.

They have two models:

- Pre-campaign is based on historical performance and the time/daypart of publishing. It does not include content. This gives a 0.77 R².
- Post-publish uses real creative elements, actual deployment, etc. This gives an R² of 0.935.

The "V2" post-model adds image analysis via deep learning, text clustering analysis. This gives an R^2 of 0.988. But to be honest, almost all the model is predicted by the Day 1 performance, with the additional elements adding very little.

Key takeaways:

- First 8 hours are critical.
- Not all KPIs are created equal.
- Audience quality is key for a successful social media campaign.

Don't Be Short-Sighted: Long-Term Value for Brand Building

Jim Greco – Sr. Director, Data Science, Oracle

Summary:

Oracle's DLX ROI is a people-based measurement of ad campaigns:

- Oracle ID graph matches online and mobile IDs
- Campaign exposure is matched to CPG transaction data from loyalty cards
- A/B tests show incremental impact.

The problem: More measurement is short term so how can we measure the long term activity of brand building? For instance, 60% of digital ads had a positive sales lift; of these, they make only \$0.97 for every \$1.00. Only 20% of digital ads have a sales lift and an ROI greater than one.

Maximizing ROAS impedes growing brands' long term because of short-term ROAS focus on current buyers versus growing a brand by expanding the buyer base. A Long Term Value metric solves this conundrum:

- Measure incremental lift in HHs buying in the campaign.
- Project 52 weeks into future.
- Report short- and long-term impact.

Analysis of 107 campaigns shows in aggregate, short-term value is 47% of 52-week projection (although this can vary by specific campaign).

What's next? Exploring how ad targeting can impact short-term vs long-term value.

Key takeaway:

- The primary drivers of Long Term Value are: Converting buyers short-term; Category purchase cycle; Brand purchase cycle (loyalty/seasonality).

MEDIA OPTIMIZATION

Paying (for) Attention: Using Eye Tracking at Scale to Put a Price on Visual Attention

Mike Follett – Managing Director, Lumen Research

Summary:

Attention to advertising has an impact on ROI. Lumen measures what people actually see vs. what they say they see across a wide range of media. Opinion is not the same as actual engagement. Use eye-tracking to see how people actually interact with ads and what they do as a result of those ads.

This presentation focused on desktop display ads and their impact. This study utilized panel research to monitor passive attention tracking for desktop display ads. Passive attention tracking monitors what people actually see. Lumen then developed models based on this data.

There is an enormous difference between opportunity to see ad and actual seeing it. Just because it is viewable, does not mean it will be seen; e.g., 76% of ads that could be seen, get ignored. The average engagement with viewable ads is 22%. Not everyone looks at everything, just because they can.

Crucial factors:

- Viewable time: the longer an ad is in view, the more likely they are to look at it.
- Format choice: Large ads get more attention than small ads. Large ads are especially noticed in less time.
- Site choice-context important. A London Times ad is more likely to be viewed than the same ad on eBay.

How do you gauge quality? Marketers should advertise on quality sites because ads on such sites are more likely to result in conversion.

Lumen presented the challenge for British Gas in a case study to answer the question, "Does attention link to sales?".

Among their observations:

- An impression does not automatically lead to a sale.
- Even viewable impressions do not lead to sales.
- However, there is a link between attention and sales. Lumen's approach is to use the panel data, look at viewability impression data, and see what the conversions were. Each impression has a prediction.
- Ads most likely to be seen are those most likely to result in a sale. Time is an important factor in this equation. Ads only glanced at, do not convert. The longest sight leads to sales.
- There is a need to make forecasts. Identify the sites most likely to deliver attention to ads. Response data is significantly higher. Not all media is equal. The more expensive digital sites will result in more attention, and more sales.

It is not just about media. Creative matters, too. Lumen advises doing A/B tests to determine effective creative. Putting a penguin in British Gas ads increased attention and sales.

Key takeaways:

- There is an enormous difference between opportunity to see and actual seeing it. Just because it is viewable, does not mean it will be seen. The value of eye tracking is that it indicates how people actually interact with ads and what they do as a result of those ads.
- Crucial factors for effectiveness of desktop display ads: viewable time, format choice and site choice.
- Advertisers need to earn the attention of the consumer. Lots of viewable ads are unseen. Understand what gains attention in terms of media choice and creativity. Major factors include longer dwell times and the creative.

Seeking Clarity on Campaign Measurement

Earl Bless – Researcher, Brand and Marketing Impact, Intel Corporation

Christina Flint – Researcher, Digital Marketing and Media, Intel Corporation

Edwin Derks – Sr. Marketing Analytics, Intel Corporation

Summary:

The Intel team presented learning from Intel's 2017 research on campaign measurement methodologies. These insights are from a yearlong "research on research" study to determine the strengths and weaknesses of campaign impact.

The presenters provided background on Intel, explaining that although the company is known for microprocessor chips, the company is also involved in autonomous driving, artificial intelligence, etc.

There is not one best method for campaign measurement. Among the characteristics of a best method would be: consistency; eliminates or minimized bias; measured cross-channel impact; ability to optimize media.

Three research methodologies used to test two 2017 campaigns involving two TV bursts + digital media: Passive (TV and digital); TV OTS (opportunity to see) and passive digital; stated recognition.

Summary of findings:

- Stated recall and OTS shared similar end results for campaign KPIs, including significance and overall lift.
- Significant levels of stated recognition within control in Passive and OTS methods were observed.
- "Ghost" recognition exists in stated measures. That amount was consistent regardless of stimulus. (Intel has been using the same spokesperson, Jim Parsons, for a while and this might have impacted measurement.)
- At this time, stated measurement, with the addition of an efficiency metric, provides the best overall measure of campaign, cross media impact and campaign efficiency.
- Intel is using cost per person impacted (CPPI) to gauge campaign efficiency across channels and campaigns.

Intel's plans moving forward:

- Use passive measurement for digital only campaigns that need in-flight optimization, or to answer questions that cannot be answered by stated recall.
- OTS for certain offline media e.g. TV or OOH which limits its application if used alone.
- Stated awareness for most campaigns. Add CPPI to provide comparable efficiency measures.

Key takeaways:

- There is no single best method for campaign measurement. There are pros and cons to each approach. Speed and granularity differ for various measurement methods.
- Data contamination is a problem.
- "How are we doing and are we doing better?" are the questions asked by Intel's management. To measure efficiency, Intel began using cost per person impacted (CPPI) in order to answer these questions and to show lift in KPI, stated recognition as well as CPPI. CPPI allows comparisons between channels and between campaigns. CPPI can also be used for optimization purposes.

Influencers and Consumer Trust on Social Media

Mukta Chowdhary – Director Strategy and Insights, Fullscreen

Tania Yuki – Founder and CEO, Shareablee

Summary:

Fullscreen and Shareablee partnered to understand how digital influencers performed and the differences in those performances. It is important for brands to know how consumers perceive these influencers when selecting an influencer to represent them and for campaign planning and evaluating results on YouTube, Instagram, Facebook, Twitter and other forms of social media.

Who are influencers? Types of influencers: Celebrities-traditional influencers (they became famous offline); Digital creators; Micro-influencers; Macro-influencers. Necessary characteristics for someone to be an influencer include authenticity and trust.

What is their impact?

- 27 billion=the number of times people engaged with brand and publisher content across social media.
- 73 billion engagements with influencer content in the U.S.
- Influencers created 4x more social interaction than any other media companies in the U.S.
- Trust in influencers is generally higher than trust in brands. However, 18-24 year olds trusted brands more than celebrities.
- Influencers are driving fans down the purchase funnel.
- Influencers are successful in getting consumers to take actions after engagement, such as making a purchase.

Who is the most influential?

- All types of influencers have seen great growth. Research indicates great growth in actions resulting from these influencers.
- Beauty, fashion and lifestyle influencers drive the highest engagement and remain consistent year-to-year. Macro and riser influencers outperform in average engagement rates over digital emergers and micro-influencers.
- Macro and Celebrity influencers own 43% of all content and 96% of all category engagement.
- Digital creators receive marks for creativity and usefulness. Micros are seen as being in the business for the money.
- Macro-influencers won when it came to increasing trust in a partner. Celebrity-endorsers received lowest score.
- Micro-influencers seem to be just pushing product.
- 25-23-year-old consumers are most trusting of Macro-influencer content.
- Factors that impact consumer attitudes regarding influencers: trust, authenticity, pass-along value and ROI.

Key takeaways:

- Selection of the “right” type of influencer with the “right” content on the “right” platform has a tremendous impact on outcomes, such as engagement and sales. Digital creators provide the sweet spot on engagement. Instagram as a platform is very powerful.
- Factors that impact consumer attitudes regarding influencers: trust, authenticity, pass-along value and ROI.
- Guidance on effectiveness: share passion points and build communities around these points.

AD IMPACT/ROI

Measuring the High Consideration Visitor

Cree Lawson – CEO, Arrivalist

Summary:

Cree Lawson, CEO of Arrivalist, began his presentation describing the “high consideration” customer which he defined as a consumer that is about to buy a big ticket item or a complex product that requires more research/time, such as the auto consumer.

Measuring the high consideration customer requires a longer attribution window, more impressions, more media (owned, paid, earned), strong measures of incrementality, and a holistic return on investment models. Research has shown that 62% of marketers are interested in attribution in their marketplace and location data is the number one or two thing they want to add to their strategy next year.

Campaign metrics provide only a snapshot during an ad campaign, but full-cycle measurement shows a much more detailed story. Measuring more media, over more channels over more time reveals (among other things): which impressions influenced response and did the media drive incremental business and what is the optimal cadence of exposures.

Several case studies were discussed – among the findings came from a tourism campaign where arts and culture were shown to drive repeat customers at 42.9%. Another case study found that arrival rate is a more reliable “conversion metric” for actual business impact.

Key takeaways:

- A high consideration consumer is about to buy a big-ticket item or a complex product, so their customer journey requires more research/time.
- Full-cycle measurement runs before, during and after programs – measuring impressions, clicks and page views.
- Travel marketers are using full cycle measurement to collect insights about high consideration customers.
- Other verticals can utilize findings from travel marketers to validate and optimize their programs which promote big ticket items and complex products.

Carrier Data: The Key to Verified Location Data

Maria Domoslawska – VP, Insights, Ericsson Emodo

Ogi Radic – VP, Business Integration, Spark Foundry

This presentation discussed what current trends are happening in location data, what is data accuracy, and the recent ability to utilize carrier data.

Data quality is lacking across the entire ecosystem. Media verification is critical in today’s campaign. In fact, 80% of agency and marketing professionals say that data quality is the single most important consideration when using location targeting data.

Carrier data is used as a truth set to filter other data for accuracy. Carrier data is:

- Accurate: 100% accurate system of record for all mobile activity.
- Persistent: 200-600 locates/day.
- Scalable: Provides deep demographics and psychographics.
- Privacy-compliant: Full compliance with all FCC guidelines and GDPR.

Emodo aggregates carrier-verified data into a Smart Graph that includes over 2B+ unique user profiles, billions of data attributes, analytical measurement tools, and location verification capabilities.

In the case study with Spark Foundry, Emodo ran carrier data across different clients of life campaigns.

Key takeaways:

- Location-targeted media now has the same level of transparency and tools to evolve the best practices for mobile marketing.
- Include location accuracy as part of your campaign metrics to monitor and maximize effectiveness.
- Establish acceptable threshold for location media accuracy.
- Know where your location targeted media reaches your audience.
- Test and optimize location-targeted media to know how to protect your brand and curate your creative strategy.

Validating the "Data" in Data-Driven Marketing

Luke McGuinness – General Manager of Data Store, LiveRamp

Presented by:



Summary:

Why do marketers use data? They want more insights, better targeting, but really at the end its marketing efficiency. When it comes to using data, anything that eliminates waste is good. However, there are challenges for data buyers – there are more data companies now than ever with 150 data providers in the data store and growing. By 2020, there will be 80 billion devices, which means more and more companies are in the data world – sharing or monetizing it. If you are data buying, it is daunting – there is so much, how to know which one to pick?

LiveRamp is about identity – keeping track of a person is hard, even with PII. LiveRamp takes that person or a household into the virtual world by creating a unique identifier. LiveRamp has created a data scoring initiative which includes:

- Creating an ecosystem for data scoring – no one provider is best to score all types of data.
- Empowering data owners to prove the accuracy of their data.
- Empowering data buyers to make more informed decisions.

Key takeaways:

- LiveRamp believes there is an important opportunity for measurement community to add value to the data-driven marketplace.
- Objective truth – is the data what it says it is?
- Accuracy scoring methodology needs to be measured relative to the population.
- There is an opportunity to start leaning in data becomes more accurate.

Go Beyond Creative and Budget to Drive ROI

Brian Laverty – Sr. Manager, Turner

Sunil Soman – Sr. Director, Measurement Innovation, Turner

Summary:

Turner performed a meta-analysis of previous MMMs and ROI analysis for multiple brands, analyzing drivers by category vertical to explore traditional and nontraditional drivers of ROI. They used a gradient boosted regression tree model to identify drivers of ROAS. Their sample covered 11 different categories and looked at targeting and native marketing. Data sourced: Nielsen Mix for both CPG and non-CPG clients; Analytic Partners' ROI Genome; Kantar Millward Brown's Global Link Database.

Among the findings:

- Messaging and creative quality is key – particularly for Video.
- Creative quality is a multiplier for media exposure to deliver ROIs. But impact of Creative Score on sales ROIs varies by CPG vs. Non-CPG category.
- Ad requires sufficient airing time to create in-market effect, but needs to avoid being aired for too long when diminishing return occurs.
- Flighting patterns matter: Tapered flighting yield 5% incremental sales ROIs compared to Uniform or On-Off 3 week flighting schedule.
- Copy Wear-out can Reduce Advertising Response by 30%+.
- Advertisers should balance Cable/Network mix to maximize cost effective reach.

Key takeaways:

- **Category differences.** ROAS variation is best explained by brand presence factors (including size, category share, media incrementality), not necessarily by the industry they play in. Focus on individual brand, not industry, for optimization opportunities.
- **CPG and Non-CPG.** Long-Term (brand characteristics) and Short-Term (controllable media) factors have similar influence on ROAS variation across both CPG and Non-CPG brands with Long-Term accounting for an average of 56% for CPG and 58% for non-CPG. This suggests that ability to control short term ROI at a higher level is comparable in both groups.
- **Short-Term factors drive ROAS.** While brand Long-Term factors account for more than half of variation of ROAS, opportunities exist for brands and categories to optimize ROAS 5+% through adjusting key factors such as Ad Quality (non-CPG) and reach (CPG) in the short term.
- **Long-Term factors still matter - explaining and controlling for brand differences across categories.** When considering potential for TV ROAS, brands should take their size into perspective – massive brands will always have an advantage in driving returns, even when execution is similarly optimized.

Closing Remarks

Scott McDonald, Ph.D. – President & CEO, ARF

Summary:

The ARF conducted a large-scale member survey, and received a few thousand responses. One of the questions asked was: What should the ARF work on? The most important priorities highlighted in the findings were: ROI, attribution, measurement, and how to get creative insights. Another priority, which may be surprising to some, was the whole area of training and thinking about the kind of workforce we employ and bring in the future - trying to ensure the quality and diversity of the workforce we all will inherit. The ARF already has two programs in this area: the ARF Women and Analytics and the ARF Young Pros. But there are more opportunities. Scott has signed up to be a mentor for The Marketing Academy, which has been around in Europe but is coming to the U.S. If anyone else is interested in mentoring, please let Scott know. There will be more on this from the ARF.

Wednesday, June 13

Ad Impact, ROI & Attribution

Opening Remarks

Scott McDonald, Ph.D. – President & CEO, ARF

Summary:

The ARF Ethics Initiative launched at **CONSUMERxSCIENCE** in March of this year. A Town Hall meeting in April drew 300+ participants. This conversation will continue today with Tim Wu. The decision on rescinding the ARF David Ogilvy Award from Cambridge Analytica is still pending as the facts are still murky, and there is an ongoing investigation. The ARF is empirical at our core, and we are reluctant to rush to judgement.

Due process and evaluation of evidence is important – however, the ARF has proceeded in writing our own code of ethics with a focus on PII and data privacy. The ARF Code of Ethical Research Conduct includes principles of honesty, integrity, transparency, chain of trust, applied to research participants, clients, profession, and public. Sector-specific codes include: passive behavioral data, neuro, sensor and biometric data, location-based data.

The draft of this code started with a review of 40 different codes of ethics from associations and others. The review of these industry codes raised the question of whether these companies had done any consumer research on the issue. The ARF feels that this might be a good avenue to explore. A survey of American attitudes toward PII and digital data privacy was sent out.

Key takeaways from the survey:

- Willingness to share data is not a function of device/platform: more likely to engage in privacy-sensitive activities on desktop.
- Most willing to share descriptive data about themselves - but nervous about sharing data mapped to physical location. PII data remain sensitive. Promise of customization doesn't reduce nervousness about PII nor does familiarity with publisher.
- It's not about the money. If willing to share data, don't expect much \$. If not willing to share, PII is "priceless".
- Terms and conditions not well understood. We understand the benefits of customization but not the tools - not the data marketplace.

The Missing Link: Measuring TV Ad Effectiveness in Driving Real Business Outcomes

T.S. Kelly – SVP, Research, Alphonso, Inc.

Presented by:

alphonso 

Alphonso provides live, real-time TV viewing data on what people watch, and what they do after an ad exposure, using ACR for ad occurrences and exposures. Capabilities include connecting TV brand exposures to business outcomes – can be used for TV audience retargeting, frequency extension; conquering; or OTT targeting. The analytics they have include in-store visits, purchases, CPG categories, Auto lease/purchase status. Location can be tied to daypart of exposure, creative length, or TV Network of exposure.

Key takeaways:

- Alphonso's ACR approach directly links TV brand exposures to real business outcomes.
- Media Retargeting extends TV brand messages to second screens using multiple channels/tactics.
- Analytics options aplenty for brands to extend and enhance impact of their TV investments.

Reach & Frequency Balance: How to Get It Right in the World of Advanced Television

David F. Poltrack – Chief Research Officer, CBS Corporation; President, CBS VISION

Radha Subramanyam, Ph.D. – Chief Research & Analytics Officer, CBS Television

Presented by:



Summary:

Ad buyers have always had to trade-off between reach and frequency. A five-year research program to capture the full value of TV for advertisers has revealed the following guidelines:

- Test your message.
- Maximize your weekly reach.
- Get the most out of recency.
- Precisely target consumers.
- Consider context.

But recent years have seen a move from a reach focus to a focus on efficiency. This had led to less reach and more frequency – and an undervaluing of television. Beyond 7-10 exposures, excess exposures have no value. Advertisers should be converting excess exposures to new people/exposures.

From work with Simulmedia, two examples were shown:

- For a telco advertiser, they had 72% reach but 60% of exposures were excess (>7).
- For a QSR, they had 66% reach but 47% were excess exposures.

Broadcast networks have little excess frequency because of their large audiences – they literally don't run out of "new people" to expose the ad to.

Data technologies and AI can now deliver an optimized campaign that includes linear TV as well as digital.

Key takeaway: don't waste your ad budget by paying for excess exposures.

6 Second Ads: Who, How & When to Use (ARF 2018 Primary Research)

Paul Donato – Chief Research Officer, ARF

Dan Schiffman – Co-Founder & Chief Revenue Officer, TVision Insights

Summary:

The ARF partnered with TVision to document who is using short ads, how are they using them and what might be best practice for using them. In the digital space we know they have the greatest impact, generally measured through recall among millennials, but some research suggests that to persuade someone or for message effectiveness it takes longer. The current research focuses on linear television in a real-world setting.

The study looked at six months of data across all airings of short form and long form ads on television. This includes 6s, 5s, 10s, 15s, 30s, 60s. All analysis was done on advertisers that ran short form ads in the six-month window. TVision measured this across all of TV. In total, the analysis is based on >100K ad airings (3,300 airings of short form ads) that ran on televisions in TVision's syndicated media measurement panel, where they measure person level data on TV viewership, in-room presence, and attention 24/7 365.

Findings on current use of short-form ads:

- Two strategies emerge in the short form advertising landscape. First is premium - the reach build strategy. This is primetime, first or last in pod, standalone. Premium environments, Premium positions, Premium treatment. Second is Multi-Airing Cable - the frequency build strategy. This is across dayparts on cable networks, usually not in a standalone or particularly good slot in the pod. Hybrid is the mix between these.
 - It is key to note that short form ads are primed for attention on television – at least for the moment. Airing often in premium content, premium pod positions, or as stand-alone units.
- Short form ads are emerging: Short form ads represented only 3% of the telecasts in the six months preceding May among the advertisers that used them. That is the same proportion as 60 second ads. However, short form ads represented 6% of the impressions in those six months, no doubt owing to the premium positioning described above.
- About 50 advertisers used 3,300 short form ads with the top ten accounting for 85% of them. Three advertisers, Duracell, Pepsi, and Toyota accounted for 70% of the total airings, and 73% of impressions.
 - Toyota – premium strategy
 - Pepsi – Multi-Airing Cable
 - Duracell - Hybrid
- 70 networks served short form ads but the top ten served 45% but got 75% of the impressions.
- More than a third of these 6s ran during prime compared to 24% of the same advertisers 15s and 30s and these prime time ads account for more than 50% of all short term placements.
- Only about 13% of these advertisers’ ads ran along-side a long form partner but these short forms generated 20% of all impressions. Almost 11 of the 13% are paired with 15s.

Findings on impact:

- Short-form ads capture 8% to 11% more attention per second.
- Short-form ads benefit more from premium pod positioning.
- Short-form ads drive lift in attention across all ages. Older people pay more attention to TV, but short form ads perform best with 35+, albeit they perform better for all age breaks against long form ads.
- Light viewers pay the most attention to ads, short and long form. Short-form ads demonstrated the most attention, and the difference was most substantial for heavy and light viewers.
- Short-form has a halo effect, increasing attention to the long form ad that surrounds it, by 10%.

Key takeaways:

- Unlike digital, we did not find a difference in attention by age. The difference may be due to how older viewers watch television.
- The success of short form on linear television depends on how it is used:
 - Pod Position and Structure
 - Clutter
 - Connection to long form storylines
 - Premium Content
 - Prime Time

Next Steps:

- How do short-forms work when they are more ubiquitous?
- How do short-forms measure up on recall and message?
- Do they have the same persuasion characteristics as digital short-forms?
- How to optimize creative for linear?

- Can we demonstrate ROI and how do they factor in MMM?

Consumers, Cross-Platform & Trust

Bryan Wiener – CEO, comScore

Interviewer: **Jason Lynch** – Senior Editor, Television, Adweek

Summary:

As the newly appointed CEO of comScore, Bryan Wiener provided his perspective on how the company plans to lead the industry in a world where consumer behavior is increasingly cross-platform, and trust is the most powerful currency.

JL: Why take on this role after being Executive Chairman of digital media agency 360i?

BW: The goal is to reconstitute comScore's business and bring it back to health. The marketplace needs trusted measurement from comScore. The company faces challenges, but opportunities also exist.

JL: What will you tackle first?

BW: Communicate a clear vision both internally and externally. Decide on a focus. Cross-platform is too broad. Accelerate innovation and new products. There is a need to listen to our customers. Streamline how we do business. ComScore's job is to help marketers drive revenue. It is critical to look at the world from their perspective. Listen to them. Understand their problems and the best ways to approach them. Deal with both buyers and sellers, and the need to bring them together. We need to get our arms around how to measure unduplicated reach and frequency and the outcomes. We, in the industry, have not conquered those challenges. At comScore, we feel that we can reduce friction on the buy and sell sides.

JL: From your perspective when you were at 360i, what frustrated you, what did you need from comScore and other third-party measurement providers?

BW: Measurement has felt very tactical. We need to focus on the why. Help marketers to sell more. How to facilitate that issue. Close this gap.

JL: What is your timetable?

BW: Months. We need to complete our business review and re-orientate against initiatives. Relaunch quickly, as speed is essential. Velocity is key. Get solutions into the market quickly and bring customers into the product planning process.

JL: Other companies, as well as Nielsen, are developing their own metrics. How will you position yourself in this marketplace?

BW: There has not been enough innovation in the market. Marketers want third-party measurement solutions. Make the process simpler and scalable for the market. Standards of measurement are needed.

JL: What is the single biggest gap in measurement?

BW: There are many gaps. Developing measurement of video across platforms is critical. Measure the performance of ads across mobile, digital, linear. Right now, it is the wild West. Marketers need a unified approach. There are additional problems and large gaps.

JL: There is a need to restore trust in the industry. How will measurement meet this challenge?

BW: Independent, unbiased, reliable measurement solutions. Get people together, develop a product, get it into the market, then make changes as needed. Currently, there is a lack of trust in the ecosystem. Innovations from other companies address only one aspect of the measurement challenge at a time. From the marketer's perspective, ROI cannot be proven. It is vital to restore trust that advertising results in sales.

JL: Privacy vs. need for data is currently a critical issue. How do you balance this?

BW: Panels, census data plus data science will provide an approach. This is both a privacy issue and a cost issue. The industry needs to have trust in the methodology, otherwise they won't use it.

JL: How will mergers in the media industry impact comScore?

BW: There will still be many players in the business. It won't change anything much in the measurement environment. The need for measurement across platforms is needed no matter the number of media mergers.

Key takeaways:

- Omni-platform measurement of video across mobile, digital, linear platforms is critical.
- Marketers want unbiased, reliable, unified third-party measurement solutions, and they need to have trust in the methodology.
- Measurement must demonstrate that advertising increases sales.

Oxford Style Debate: Has Marketing Taken Targeting Too Far?

In opposition to too much targeting:

Too much targeting is undermining brand equity and damaging ROI.

Gian Fulgoni – Former Chairman, CEO and Co-Founder, comScore, Inc.

Radha Subramanyam, Ph.D – Chief Research & Analytics Officer, CBS Television

In defense of targeting:

More precise targeting means more bang for the buck.

Dave Morgan – CEO, Simulmedia

Yin Woon Rani – VP, Integrated Marketing, Campbell Soup Company

Moderator: **Scott McDonald, Ph.D.** – President & CEO, ARF

Summary:

Scott: Has marketing taken targeting too far?

GF: I am not denying that targeting has benefits. Re-targeting ads for products/services the consumer has already bought annoys consumers. Prichard said P&G needs more reach and has pulled back from targeting. The churn in the buyer base means targeting will result in missing prospective buyers. Reaching larger audience results in higher sales. Programmatic tools allow for easy targeting, but we need to be wiser about targeting.

RS: Targeting gone wild is the problem. Speaking only to the heavy loyalists is the death of brands. The brand becomes obsolete if you don't look for additional consumers.

YWR: Improve targeting and do more targeting. The fundamental promise of targeting has not been met. The technology needs to be improved to target better. Strategic targeting is a choice. Knowing your target intimately is the marketer's Northstar. Poor targeting is not a reason to stop targeting. Spending money on mass reach to get to customers you do not need is expensive. The digital revolution has given us ways to reach these targets. Flaws in ecosystem, such as fraud, are the problem.

DM: Fundamentally, targeting is not about users vs. nonusers. Tailor to consumers differently. Providing relevance to each consumer is not targeting, it is smart targeting.

RS: The definition of the target is a moving subject.

GF: The baby is drowning in the bathwater. A high number of error messages and high percentage of viewability problems can waste as much as 75% of the ad budget.

YWR: Despite the fraud in the system, greater tailoring has a positive result. She agrees with Radha that more optimization is necessary.

DM: Targeting has been done wrong.

Scott: Contextual targeting has always been with us, such as placement in subject-focused magazines. From the perspective of the consumer, can targeting go too far?

DM: Direct marketing, not advertising, is being done badly.

YWR: Consumers are getting more sophisticated. Consumers, especially younger consumers, expect something in return for allowing targeting. We are close to the creep factor.

GF: We have gone from mass marketing to targeting. We are still challenged to identify the correct target. We do not have the ability to accurately reach them.

RS: No doubt that consumers are waking up to the creep factor. Audio devices are acting on conversations accidentally overhead. The tech is not up to par.

Scott: What is the impact of targeting on building brand equity? Is targeting too short-term and focused on ROI?

GF: We are driving consumer to act short-term. We are not branding.

RS: Even near-term outcomes are questionable. A lot of brands won't exist if you don't think long-term.

GF: Use of clicks is not a useful measure of an ad's success.

DM: You don't get rid of targeting because there are issues, improve the targeting, instead.

YWR: Growth is coming from small, challenger brands. Equity is gained more slowly. Strategic targeting should exist.

DM: Targeting must be done better. Not targeting is bad business. It is necessary to reach the consumer most likely to make that purchase. Treat people well by giving them something relevant at the right time is important. People move away from ads because there is ad clutter and irrelevant ads. If we lose the ad-supported media, we will lose the American way.

How Far Can You Go? (before government steps in, that is)

Tim Wu – Professor, Columbia Law School; Contributing Opinion Writer, *New York Times*; Author, *The Master Switch*, *The Attention Merchants*, *Network Neutrality*, *Broadband Discrimination*

Summary:

Recent scandals centered on Facebook, Cambridge Analytica and Russian advertising, coupled with broader concerns about privacy and tech addiction have yielded new calls for regulations that would affect the advertising business and in particular targeted advertising models. In this talk Tim Wu discusses the history of advertising regulation in the United States and the origins of its historic focus on deception, and discusses what would be likely to yield broader privacy and advertising regulation in the United States.

Key takeaways:

- Historically, there's always been a difference between the approaches and sensibilities in regards to advertising between the U.S. and Europe.
- In the U.S., false advertising claims have historically been the trigger for government regulations – starting with the original and literal “snake oil” salesman, Dr. Williams Kidd and his “elixir” to cure all ills. The first advertising regulation was the 1906 Food and Drug Act, which governed truth in labeling. “Truth in advertising” so that the individual can make the right choice, has become the golden rule. Trigger for regulations is deception.
- Historically, Europeans have a different angle. The first advertising regulation in Europe started in France where people were upset that advertising was ugly, and took up too much space in their lives. Around the 1910s, the first strenuous European advertising regulation, restricted advertising to specific areas. The group,

"Friends of Paris," argued that the ugliness of advertising posters led to moral degradation. They moved to ban all outdoor advertising in small towns all together.

- The European approach: advertising bans, content regulation, confined to designated zones. More paternalistic.
- How likely is it that America will take a fully European approach? California recently passed their version of GDPR. A lot depends on how the industry behaves itself. Industry can avoid regulations if they can avoid scandals for a year or two, which is difficult when the business models are based on accumulating all this data.
- Tim Wu proposes the idea of increase fiduciary duty for those who carry large amounts of information. So many entities with highly sensitive information have the duty to be careful with it. American Alternative to Europe's Privacy law – information fiduciaries. Common law system has some steam in the U.S.

X, Y and Z: Generational Perspectives on Privacy

Erica Ellis – Senior Director of Insights & Media Strategy, Gamut

Lane Sutton – Marketing and Employer Branding Strategist, Speaker and Student

Elizabeth Tarpinian – Consumer & Market Insight, Senior Director, Unilever North America

Moderator: **Jacquelyn Salnek** – VP, Client Service, Regional Lead, Media & Digital Practice, Kantar Millward Brown

Curated by:



Summary:

JS: Is data privacy and security less of a concern among millennials than non-millennials?

LS: Millennials are more open about sharing their information. Digital natives have been using social networks since they were 13 years old.

ET: Millennials want something back in exchange for receiving targeted messaging. I'm open for now, but if you cross the line, I can be vocal about it.

EE: Millennials are numb to data breaches because there are so many of them. Gen Z grew up with breaches. There is a feeling of betrayal.

JS: What are we willing to give up? What does betrayal mean?

LS: You did not opt-in, but you see a targeted message. "Why am I seeing this?" is a more common question in this age of transparency. "Did I say yes?" - we don't read the privacy terms. Teens are less likely than their parents to ask what they are agreeing to. Demographics are fine. More personal information is a problem. Who you are connected to is a problem.

JS: Brands want to build relationships. How do they do this in an authentic way?

ET: Brands need to be transparent. Consumers need to know what they are signing up for. It has to be super clear, quick and easy. Am I just signing up for a newsletter? As marketers, we want to make the ad relevant, or consumers won't want that ad.

JS: How will ethics and GDPR impact marketing?

EE: Brands need solid crisis management plans in place, now. Ethics provide clarity in how the data is being used. Let consumers know why you want that information.

LS: Consumers will accept brands knowing them because it benefits the consumer (e.g., Amazon recommendations). However, the brand's targeting must be relevant.

JS: What will we give up in exchange for the benefits of targeting? Where is that line of exchange?

ET: I do not want to give Amazon my children's birthdates. I turned 50 and am more conservative than younger generations. Brands have to figure out how far to go. Each consumer's line is different.

EE: Location is ok; finances and healthcare are more private. Consumers are not fully aware of how they value convenience. Brands need to remind consumers that they are providing convenience.

LS: My line is location. I am conscious of what I share.

JS: Are people changing their behavior because they have less control, for example, Facebook's sharing of personal information?

LS: I have turned some location places, have removed some information from apps. Instagram and Snapchat are becoming more popular with younger generations than Facebook. Many people are not aware that some information, such as location, is inadvertently shared.

EE: More consumers are trying to get off the grid and are using less popular social media.

JS: Has your behavior changed?

ET: I have been trying to disengage. As a parent, I am struggling. The world is connected, but I want to protect my children.

JS: As brands move towards having a purpose, is privacy becoming a part of equity?

ET: Yes. Facebook will have to deal with the changes to their DNA.

JS: What does data privacy mean in the future for business and personal?

LS: Relevant, personalized brand communication, in both my personal and business spheres.

ET: Rollercoaster in my personal life; Europeanized, regulated in my professional life.

SHOW ME THE DATA

Knitting Data to Create a Brocade of Strategic Insights

Prerit Souda – Consultant, Data Science & Strategic Insights, Independent

Limited information is available from a tweet and a picture. However, the integration of textual data from social and digital channels with image, location, weather, geographic sales data, ethnic histories, and demographics provides strategic insights. Data + metadata + external data=derived strategic insights.

This integration can be achieved via a data linkage framework. This framework knits together social and digital data with all its available metadata, enabling the development of derived, strategic insights.

The derived insights in a data linkage framework consists of:

- Text-mined attributes
- Image-mined attributes
- Demographic attributes
- Locational attributes
- Weather attributes

Case studies demonstrated the benefits of this brocade methodology. These case studies involved successfully reversing the sales decline of a restaurant chain and increasing tourist visits to a location known for only one attraction. The brocade methodology helped marketers to understand the challenges and to develop solutions and campaigns to overcome these challenges.

Key takeaways:

- Integrating textual data with data derived from images, location, weather, geographic sales data, ethnic histories, and demographics enables marketers to develop insights into current and potential customers.
- Using a data linkage framework and custom analysis software provides more details and enables marketers to develop more powerful and effective campaigns.

Privacy in the Age of Big Data

Frank Pecjack – SVP, Statistical Analysis, comScore, Inc.

Summary:

How do you support granularity but protect privacy and be good stewards? This presentation discusses evaluating the use of atomic level of aggregation that ensures individual privacy but allows for the flexibility of user profiles.

Methodology:

- Representative Device Units – Determination. Localize and partition cookies and device ids by deterministic elements. Deterministic Attributes: Location, OS, Number of devices in HH, ID Tenure. All unique combinations observed within tagged universe represented.
- Representative Device Units – Refinement. Initial deterministic cluster further separated and refined by behavioral characteristics. Behavioral Centroid determination: IAB sub-categories; future research into more granular profiles. Floor set for number of IDs per cluster.
- Representative Device Units – Output. Cookies matched to appropriate RDU on match. Output Summarized Data:
 - Behavior: The “average” centroid profile for each cluster.
 - Deterministic segments: Percentage of cluster within the segment.
 - Probabilistic segments: Aggregated(averaged) probabilities of segment membership within the cluster.
- Initial Cluster Determination. Over two-week period: ~115M IDs clustered; ~300k RDU (Min. 100 ID per cluster). Assess person-level privacy through entropy (basis of 28 bits for US Population).
- Cluster Verification: Assess cookies with attributes assigned from RDU versus direct ID determination.
 - Accuracy from RDU assignment to ID similar to accuracy direct through ID (panel based comparison).
 - Variance and match probability easily available.

Key takeaways:

- Behavioral profiles and audience attributes for individual IDs can be represented as micro-aggregates.
- Care must be taken not to include “cluster-busting” behavior.
- Resulting assignments comparable to direct assignment and behavioral modeling techniques - provide more direct methods for estimating variance.
- RDUs are easily extensible to a variety of attributes and behaviors.

TARGETING & TRACKING

Data is the New Oil, But Our Insights Are Crude

Joe Zahtila – SVP, Lucid



Summary:

The data "supply chain" consists of Harvest / Aggregate / Prepare for Sale / Activate. But what can go wrong? The data can be too late, have bad inferences, bad behavior, not human, not contactable, or poor audience definition. Bad data equals wasted data spend, media spend, bad attribution, and bad ROI.

Lucid developed a metric to analyze potential quality of a segment or attribute. Normalized Density = Attribute Density (% of a segment that actually does what the segment is) divided by Rep Density (incidence of segment in total population).

Key takeaway: Lucid believes that the Normalized Density should be > 1 to indicate quality of a segment or attribute.

Psychographic Driven Tune-in Targets for Higher ROI

David Algranati – SVP, Product Management, comScore, Inc.

Steven Millman – Chief Scientist, Simmons Research

Summary:

The challenge is that most advertising is still based on simple targets such as known customers or targets. There is an opportunity to move to psychographics to improve performance.

This study used the comScore/Simmons fusion to analyze the drivers of TV tune-in, using comScore's TV data, Simmons psychographics, and RMT's DriveTags. The predictive power is 3x higher using Simmons and DriveTags than comScore alone.

TV shows have a much higher contribution to predicted behavior from psychographics than categories like Food, Alcohol, or Retail.

They are working on an AI fusion among the three data sources.

Key takeaway: There was a substantial and robust increase in conversion for targets ID'ed by the prediction model. Psychographic targeting provides the ability to improve conversion rates that are additive to the targeting already used.

Finally Closing the Loop on Digital Targets

Karen Ramspacher – SVP, Innovation & Insights, GfK MRI

Bryan Donovan – VP, Data Strategy & Acquisition, Acxiom

Elizabeth Hair, Ph.D., M.A. – VP, Truth Initiative Schroeder Institute

Presented by:



Summary:

MRI and Acxiom have donated time and resources to helping the Truth Initiative in its new effort fighting opioid addiction. From their tobacco work, Truth can show ad awareness is causally linked to targeted attitudes and

intentions. Teen smoking has dropped from 23% to 9% during their campaign. Lessons learned from the tobacco work:

- Show respect.
- Don't tell what to do.
- Discussing health effects alone won't penetrate.
- Make it personal.
- Appeal to fairness.
- Build a brand.

Truth did survey work and found that opioid abuse thrives in a knowledge gap. They also got "permission" from young adults to change their mission to expand past tobacco to opioids.

Truth had a theory who to target, but went to GfK MRI to confirm this. Targets included those who were into gaming/tech, trends/celebrity, paid attention to ads/receptive to ads and cause marketing, those into social activities/nightlife. These targets were then sent to Acxiom by GfK MRI for activation.

Key takeaway: This new effort is only just launching in the near future, so no results yet. The industry should work together to support this effort by other donations of time, resources, and media.

Video Impact: Value of Mass Marketing vs. Targeting

Guido Modenbach – Managing Director, SevenOne Media

Gerald Neumueller – Director, Research, SevenOne Media

Summary:

Targeting or mass marketing? The promise of targeting is that it avoids waste by reaching only relevant consumers. But the school for mass marketing argues that "brands should always think about inclusion first, rather than exclusion" (Byron Sharp). How can we draw a fair comparison? Is the same ad just as effective in digital or online media as on broadcast TV?

Methodology: For a fair comparison, the pure effects of TV and online video must be isolated rigorously. To carry this through, strictly controlled, A/B tests were conducted for two CPG brands (one an established coffee drink, the other a new product launch for yogurt). Each test campaign had identical ad budget, creation, duration, in three areas with similar demographic and retail structure. One area with TV advertising only, another one with online video ads only, and control area with no advertising at all. Survey for branding effects, retail data for sales effects.

Results:

- For test 1, positive sales effect: online video with significant gains, TV results even better. (+11% vs. +31%). Positive return on spend on ROI.
- For test 2, no awareness, no brand heritage, no loyalty. Sufficient distribution but no advertising. Did store checks in each store for access. Results: online video increases sales but stronger effects with TV (+80% vs. +8%). Demonstrates the strong activation power of TV for new products.
- Brand effect: TV contributes significantly to the perception of the brand in the consumer's mind.

Key takeaways:

- Online video and TV ads both increase sales and awareness, yet the effectiveness of the TV campaign is considerably higher.

- Under same conditions, TV generates higher sales effects compared to online video; cognitive brand effects are increased stronger with TV – presumably because TV is a medium of importance for a vast majority. Conclusion: TV should not be substituted 1-to-1 by online video.
- The strength of mass marketing media is broad reach that enables exposures to a big number of potential buyers and thus increases sales. Targeting increases campaign efficiency, if the advertiser can exclude certain consumers clearly.
- The mass-relevance of TV gives brands an importance (free public attention, enhanced brand perception) – an implicit evidence for the brand’s relevance for a visit.
- Findings consistent with other studies, 69% variance - brands grow with acquisition of new customers, reach is crucial for brand growth, brands grow by increasing penetration.
- This study worked out the generic advantages and potentials for each medium, so avoided cross-media synergy. In reality, you would use both channels in your campaign.

Building Brands: Heavy Buyers or Non-Buyers – The Debate Goes On

Rachel Kennedy – Associate Director, Product Development, Ehrenberg-Bass Institute

Leslie Wood – Chief Research Officer, Nielsen Catalina Solutions

Summary:

The industry has oversimplified messages from Ehrenberg-Bass Institute and Nielsen Catalina Solutions on the question of who do you target in your advertising? The answer: neither and it depends on brand characteristics, strategic choices, who resonates with the brand/ad, etc. To resolve this issue, EBI and NCS got together to provide nuanced combined approach:

- To build a brand, you need to align your strategy, your creative and your target. They need to support and align with each other.
- Know your brand, set your strategy and build your creative. Then test your creative. Test to see if there is a strong response from your strategic target.
- If yes, great. If no, go back and rework your creative. This takes time, so either use an older creative or target the audience that is receptive to your creative.
- Select the target to fit the creative and measure.

NCS Playbook:

- Based on analyses of 3½ years of data – in 48 4-week time frames, of 10 advertisers, each contributing five brands (mix of growing, declining, stable, successful, and failed new brand introductions). AdIntel for SOV data; store level RMS to get sales, promotion and deal; Frequent Shopper data to understand loyalty, purchase cycles, repeat rates; and Sales Effects to understand campaign level response to advertising among these households.
- Know your brand. Use the NCS brand signatures to understand who the consumers are.
 - There are three core brand signatures – 85% of brands matched these types, impulse, standard, dominant (half of buyers are loyal – biggest brands in the category). Outliers (e.g., seasonality).
- Creative messages resonate differently by segment. Advertise to those who respond, even if it means changing the target. But also think about the whole spectrum, some creative messages just don’t resonate enough. No matter who you target, you get audience outside of your target.
- Select the media that aligns with who the message resonates with – advertising to consumers who don’t respond wastes media dollars.

Ehrenberg-Bass:

- Benchmarks give context for the category and brand – how any brand should look and how it will grow for growth opportunities.
- Brands are in different starting positions (Stable, Growing, New Successful, New Failed, Declining).

- For growth and maintenance goals, “target the market.”
- Loyalty is broadly predictable and a function of the category and size. Brands vary in penetration but not so much in purchase frequency. In general, there are very few loyal brands, and any targeting strategy that look for loyal buyers – they are a very small segment. Light buyers, buy once, but there are so many of them - they are critical for growth. Loyalty is broadly predictive.
- Chasing ROI metrics can be counter to a growth strategy. Higher response is only as good as segment size. If you got a campaign that doesn’t work, get rid of it, bring an old one back or new campaign.

Key takeaways:

- Advertising to consumers who don’t respond wastes media dollars.
- Remember the NBD - “Most Buyers are Light.” Brands must nudge the whole curve up to grow.
- Advertise to those who respond, even if it means changing the target.
- Heavy category buyers may have an important starting role for new brands.
- A brand’s signature, creative effectiveness and media platform all effect the sales results for each targeting option

MEDIA OPTIMIZATION

Constellations Brands Achieves Outstanding Results with In-Flight Optimization

[Original Session Title: Accelerate Personalization with Audience Optimization]

Jennifer Pelino – SVP, Omnichannel, IRI

Justin Petty – SVP, Media Solutions and Product Management, IRI

Summary:

Research shows that claimed purchase is reported incorrectly as often as 40% of the time. Consumers don’t remember the details of habitual behaviors, and when marketers go to activate personalized messaging, challenges abound. Overcoming these challenges can be solved through data, connecting consumer groups to in-store behavior. IRI Verified Audience provides segments upon purchase behavior known with 100% certainty with the world’s largest passively collected database of uniquely verified HH purchase behavior. A case study of in-flight audience optimization showed 12.5% sales lift, driven primarily by increasing penetration.

Key takeaways:

- Unique Household Reach is a key driver of campaign performance but it’s difficult to manage.
- Purchase-based audiences drive the best sales lift and are a meaningful foundation for personalization.
- This tool allows the DSP and Agency to focus on offline sales metrics vs. traditional online metrics and helps maintain consistent unique reach throughout the campaign.
- Measure everything - when to know what’s working and what isn’t and can adjust strategies based on results.

Events are Happening on Twitter

[Original Session Title: Twitter Changes the Live TV Sports Viewing Experience]

Pranav Yadav – CEO, Neuro-Insight US Inc.

Ali Tercek – Research Manager, Twitter

Presented by:



Summary:

New Neuro-Insight research highlights Twitter's impact on event engagement and ad memorability in a cross platform/multiscreen environment. TV viewership is fragmented and TV ads are easy to avoid – 90% of DVR users skip all TV commercials but when it comes to live sports, no one is skipping. Live events happen on Twitter too – people turn to Twitter to make events more engaging and also as a place to consume event content when they are away from TV, such as multi-day events like the World Cup. How does using Twitter for live events differ from viewing on TV alone?

Neuro-insights studied how three event consumption patterns differed neurologically. We don't have access to 80-90% of our subconscious – most people do not know why they make the decisions they make, and implicit memory can't be measured using traditional methodology.

For the first study, Neuro-insights monitored every participants' experience with two screens. Contrary to conventional wisdom, viewer engagement was 9% higher when going from first screen to second screen then back to first. These were not competing platforms but rather complementary platforms. The third study was the first global, live-event neuro study. Engagement and memory were measured for TV viewing only; Twitter Only; TV and Twitter.

Findings:

- Twitter changes the way people experience events on TV - Twitter drives 22% event engagement and 17% event memory.
- Twitter does not distract but enhances - boosts effectiveness for ads, and can incrementally increase the reach of event advertising.
- People are shifting to Twitter as their only screen – provides incremental reach to TV.

INTENSITY as the “3rd Dimension” of Media & Marketing Effectiveness

Jason Molina – Director, Engagement, Planning & Strategy, Fullscreen Media

Summary:

Reach and frequency are no longer sufficient in the media planning process. Intensity is the missing critical dimension. The intersection of attention, engagement and emotion leads to brand intensity, which has the potential to deliver a powerful impact. Additionally, strong influencers positively impact brand intensity measures.

Although time spent is shifting to digital, it also has its challenges including consumer avoidance. On the positive side, consumers engaging with brands on social and via personalized brand experiences have strong brand involvement.

Fullscreen's proprietary research demonstrated that intensity exists, and there is a need to track brand intensity since it delivers impact. This research helps marketers think differently about how they measure their campaigns. Future research will include analyzing the impact of brand intensity on ROI.

Molina spoke about the intensity resulting from real world activation, for example, Fullscreen's Guilty Party YouTube program. Fans are brought into the storyline narrative. There is tremendous engagement between fans and the show's content and the characters in the story.

Among the findings:

- More time with eyes focused on the ad leads to greater brand recall.
- Higher emotional response drives stronger feelings and brand impact.
- Engagement fuels the purchase cycle. Engaging content impacts the entire purchase funnel.
- Teens are even more receptive to brands and more compelled by influencers than are millennials.

Key takeaways:

- Brand intensity is as important as reach and frequency.
- High attention lead to high recall, demonstrating the importance of attention.
- Storytelling can deliver memory impact for brands.
- Emotions matter across all screens.
- Engagement matters even more for mobile.
- Despite the belief that TV commercials generate more emotions, influencer branded content gets the same attention as TV commercials.

Latest Science Analyzes Retail Sales by Share of Voice

James Fennessy – CEO, Standard Media Index

Bill Harvey – Executive Chairman, Bill Harvey Consulting

Ben Tatta – Co-Founder & President, 605

Presented by:



Summary:

SMI gets actual ad spend from all agencies for all media. 605 gets TV viewing data with matching data rights to all that data. The calculation for ROI or ROAS is (total brand sales attributed to ads) divided by (brand ad spend).

Each new medium added to a campaign adds sales lift until saturation.

In their measurement project, the average return was \$2.72. Brand A had \$4.07, Brand B had \$3.20, and Brand C had \$1.48. Brand B bought market share by four years of increasing its share of voice. But to their calculations, it could have gotten more by using a more optimal media mix.

Key takeaways:

- SMI and 605 complement each other
- Growing market share by share of voice aggressiveness works
- Creative and media make a difference between marginal and major payouts
- Need to check continuously and make adjustments.

Measuring the Effectiveness of TV Brand Campaigns

Ben Tatta – Co-Founder & President, 605

Summary:

605 does audience analytics, media planning and optimization, measurement & attribution.

The issues:

- The funnel tends to focus on sales.
- There is no direct linkage between brands and sales KPIs.
- Slow reporting.

The 605 Impact Index has full funnel metrics. Gets sales data overnight, TV data takes 3-4 days. Reporting is bi-weekly or monthly.

Walmart case study:

- Looking for brand favorability not sales.
- Best way to reach persuadable shoppers.
- Optimize schedule by networks and dayparts.
- Increased brand impact 2x in all three creatives; only two improved sales as well.

Key takeaway: Next steps is to extend to cross-screen and include pricing analytics.

AD IMPACT/ROI

Leveraging 6-Second Ads in Today's World

Carl Marci, M.D. – Chief Neuroscientist, Nielsen Consumer Neuroscience

Beth Rockwood – VP, Portfolio Research, Turner Broadcasting System, Inc.

Summary:

The media landscape is rapidly changing, but one of the ongoing questions is what is the communications value of short-form ads? Headlines abound with news about cutting down ad length and pods - will this innovative format drive ad growth? Nielsen and Turner tackled this issue and asked what we can learn about 6-second ads. How is this work different from other research on 6s? This study examined how consumers experience short-form ads (i.e., 6s) and ad pods relative to traditional formats (i.e., 15s and 30s ads). Other unique elements are that these were tested in the context of media, including regular programming. This is the first consumer neuroscience study to combine multiple tools with traditional self-report.

Methods:

- Tested in lab. Tested in the context of media, including regular programming – comedy with “Two People on Earth” episodes.
- Metrics reported: biometric, eye-tracking, facial coding, and self-report.

Findings:

- Branding: The longer the ad, the more branding potential. 6s are doing well in proportion in the branding opportunity, but wasted opportunity for 30s. 30s have the greatest amount of unbranded screen time, likely because this longer ad length allows for a more developed story that doesn't always feature the brand.

- Regardless of length, viewers usually fixate on about half of the ad (average percent of time in fixation on ad is roughly equal: 48% for 6s, 51% for 15s; 51% for 30s). Time fixation – a measure of visual attention, is similar across ad types.
- Distribution of time in fixation on branding shows variety in creative. Average total time in fixation on branding lower end for 6s. You need to show your branding. Although most 6s cluster on the lower end of the distribution – there are exceptions to the trends for ads for all three lengths. Outliers, Duracell and Nissan. The particular goal of how the units should be used need to be considered.
- Engagement with 6s ad pods and traditional ad pods at parity. When compared to the entire traditional ad pod (not just position A traditional ads), 6 second ads performed similarly. Measured by biometric engagement.
 - 6s ad pods struggle to reach and sustain an emotional payoff.
 - Creative variability exists in both 6s and traditional ad pods.
 - Measured by facial, 6s ads less likely to elicit expressed emotion. Most common expression – neutral – 80% of time. 71% of 30s ad hit that threshold.
- Recall and consumer attitude:
 - 6s aided recall falls below that of 15s and 30s ads. None of the 6s ads were paired with 15s and 30s.
 - 6s PSAs less recalled than other 6s ads – average aided recall: 40s vs. 53%.
 - Mental availability of brand impacts aided recall of 6s ads - larger brands with higher market share recalled better. 6s ads as a complement may be the way to go.
 - Participants reflect positively on 6s ads in general: 40% said that the ads were informative.

Key takeaways:

- 6s ads generate comparable visual attention to traditional ads.
- Visual attention to branding within 6s ad varies by creative.
- Emotional payoff and storytelling is difficult in 6s ads.
- Larger brands and creative consistency facilitate recall in 6s ads.
- If you have an ad with an iconic moment, opportunity to supercharge things.
- As we move forward, we have to look at different groups of advertisers and creatives very differently in what they can do under different circumstances. 15s start to look valuable, with the contrast of the 6s. Think more about that unit as well.

Big Screen + Small Screen

Greg Capello – SVP, Marketing, Kargo

Summary:

Media consumption is changing across TV and mobile video. How to best make them work together? To answer this question and to provide additional research, Kargo partnered with MediaScience to conduct a study comparing the impact of various sequences of TV and mobile video advertising. Participants saw three different types of ads: 30s TV, 30s pre-roll videos, and 6s outstream videos. Measurement consisted of visual attention, biometrics, as well as survey responses.

Mobile pre-roll:

- These video ads receive a lot of visual attention, but this is mainly due to the forced exposure nature of delivery.
- However, there appears to be a lack of interest, as nearly 50% of this content is not viewed and cognitive attention is unchanged.

- Pre-rolls are successful in all stages of memory, with 2 exposures yielding the same effect as 1 exposure on TV.

Mobile outstream:

- These video ads receive visual attention, with nearly 75% of users seeing them. However, that attention is short, at less than 2 seconds.
- Users consuming content in the surrounding environment appear to have higher levels of cognitive attention.
- The combination of short visual attention and high cognitive attention provides opportunities for creative with prominent branding and concise messaging to be used as reminders of their full-narrative counterparts in TV and pre-roll videos.
- 6s ads require early branding.

Key takeaways:

- TV is still the most impactful ad platform, but the big screen has reached its peak in terms of audience and growth. Smart phone users are expected to exceed TV viewers by 2019. Time spent grows on smart phones, while there is a small decline in TV viewership. Younger audiences are driving this behavior change.
- Now is the time for brands to transition to mobile.
- Video on the small screen is effective. A pre-roll is equally effective as TV with just two exposures.
- Adding mobile video to a TV media plan reached more people and resulted in greater value.
- Outstream videos complete media plans with efficient ads that help remind consumers of the initial exposures.
- All three types of ads have their use in the market place.
- The ad budget is being allocated differently with more money going into video, especially for smartphones ads.

A Fresh Approach for Assessing Mobile Ad Effectiveness

Bryce Quayle – SVP, General Manager, LRW

Karen Ring – Head of Research/Insights, Telaria

Summary:

A case study that offers new approaches to assessing advertising effectiveness on mobile devices and, in particular, on mobile gaming as an advertising platform was presented. The challenge is that there are certain prejudices against mobile games as a broad reaching advertising platform. So, the primary objective was to demonstrate the impact of brand advertising within gaming apps to prove that Gaming is an effective environment for advertisers.

The explosion of game development has really changed the profile of the gaming audience:

- The audience is huge – nearly half the US population regularly play games on their mobile device. There are nearly 2 billion players worldwide.
- And people of all ages play games. In fact, there are more gamers over 35 than under 18. And women are as likely to be gamers as men.
- 90% of people describe mobile gaming as “me time” – it’s their own personal downtime. They are focused on playing and immersed in the game. So they are highly attentive to what they doing.

Industry research on gamers suggests that gaming elevates mood. Gamers are happy, engaged, and are less stressed while playing. The researchers theorized that a gamer’s mood and mindset might be the key to understanding how the contextual effects of gaming can impact their receptivity to advertising. The hypothesis was that this heightened state

of mind makes players more receptive and less resentful of advertising. Since gaming is such an immersive activity, ad engagement should be high

Method: The limited budget ruled out a neuro or biometrics study. This led to LRW's Pragmatic Brain Science Team. Belt & Suspenders Approach: stated and less conscious measurement approaches (Rapid Choice; Emotional Circumplex; Linguistic Coding).

Key findings:

- Research confirmed that game playing puts people in a heightened mindset.
- Some gamers were annoyed at being interrupted by advertising, but that didn't impact its effectiveness. Rational ad ratings were equal between the test and control groups, and even between gamers who claimed to be annoyed by ads and those weren't.
- Both the conscious and non-conscious reactions to the test ad were highly positive.
- There were no significant differences on positive ad perceptions as a function of seeing the ad in a mobile game versus TV watching, and in many cases, the reaction was stronger for the mobile gaming ad than the TV ad.
- The video game ad and the TV ad were equally effective at driving key brand metrics.

These findings suggest the following insights:

1. The effectiveness of ads may be attributed to the heightened state of mind people experience while in gameplay mode. Higher attention can lead to higher ad recall.
2. The results suggest that the heightened emotional and attentive state associated with game play more than overcomes any abstract feelings of annoyance about ads in general.
3. The data strongly suggest that we should dispense with the idea that mobile is for direct response ads, and mobile games are only for game app install ads.