The three biggest issues in TV research right now!

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Who are we?

- Organisers of the International Television & Radio Conferences for the last thirty years
- Global community of media research experts, media owners, agencies and advertisers
- Media industry podcast (116 episodes so far!)
- Latest conference held via Zoom in November

The three biggest issues…

1. Strategies for BVOD to continue TV's dominance of video
   - Market strategies
   - Measurement strategies
2. Cross-platform and cross-media measurement
   - Joined-up measurement of TV in all its forms
   - WFA and local cross-media initiatives
3. Attention and alternative metrics to guide video planning
   - Moving beyond exposure to show the power of TV
   - ..but can it be a currency?

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1. BVOD Strategies: getting the balance right

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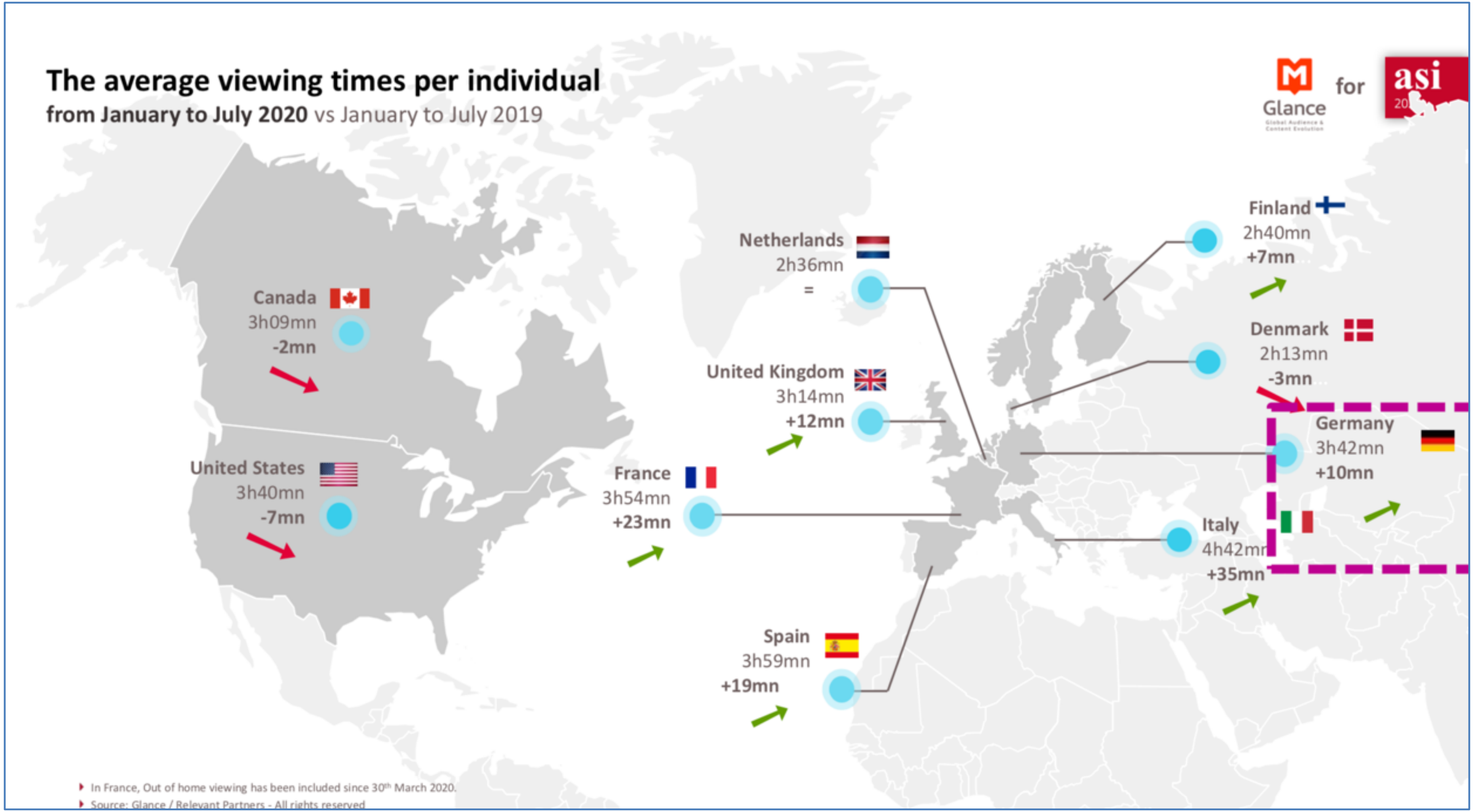

Source: Médiamétrie Glance @ asi Conference 2020

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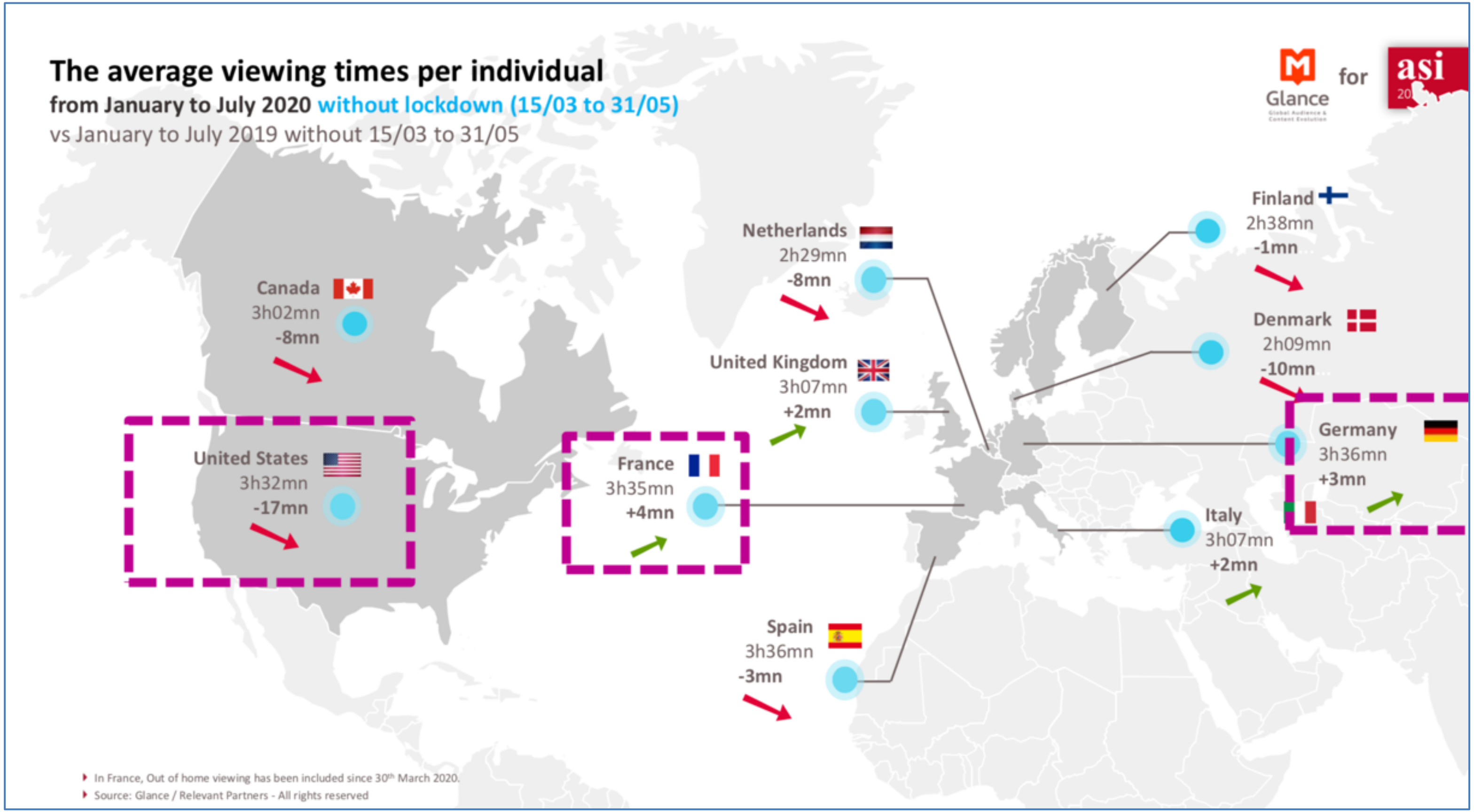

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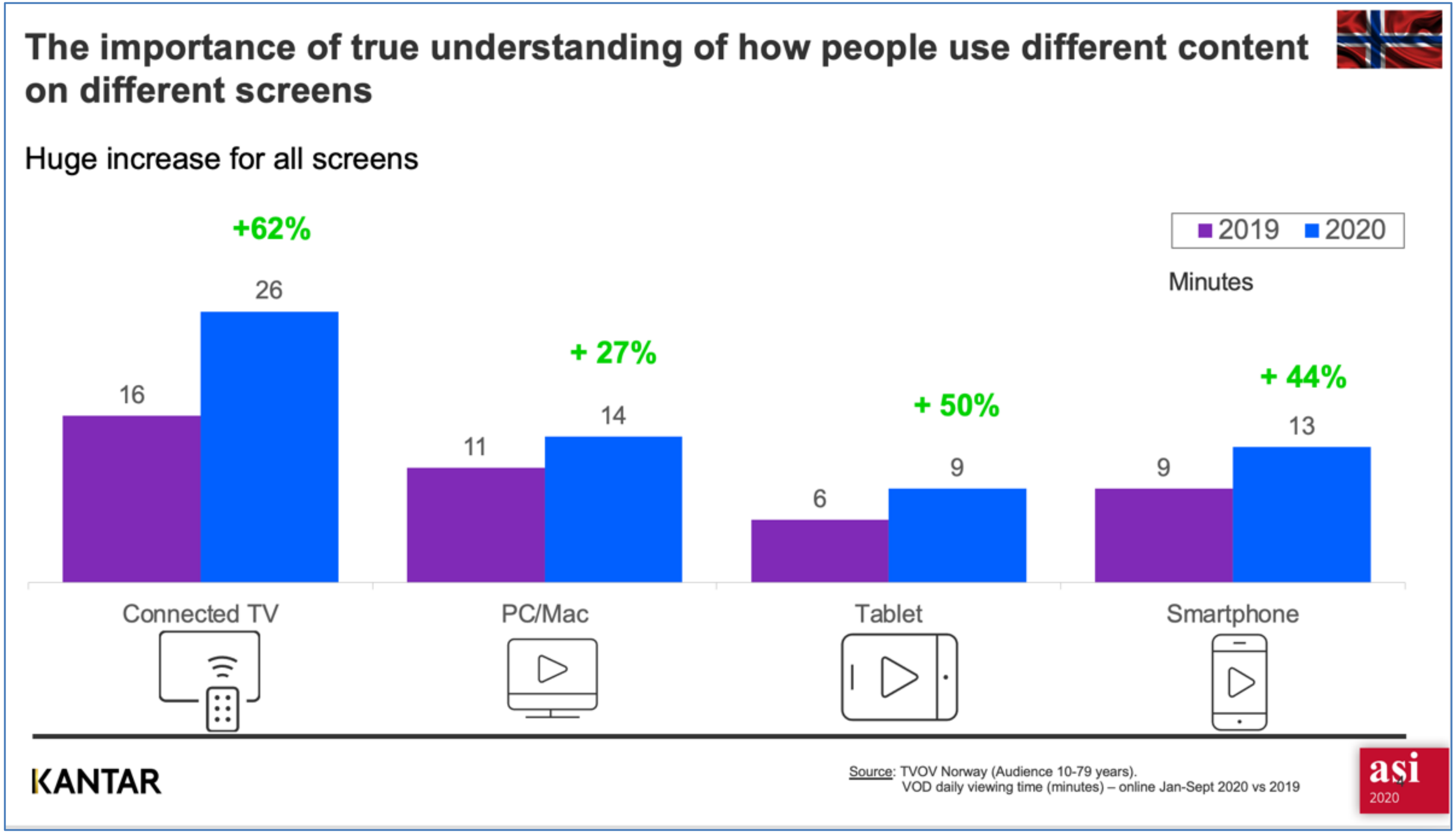
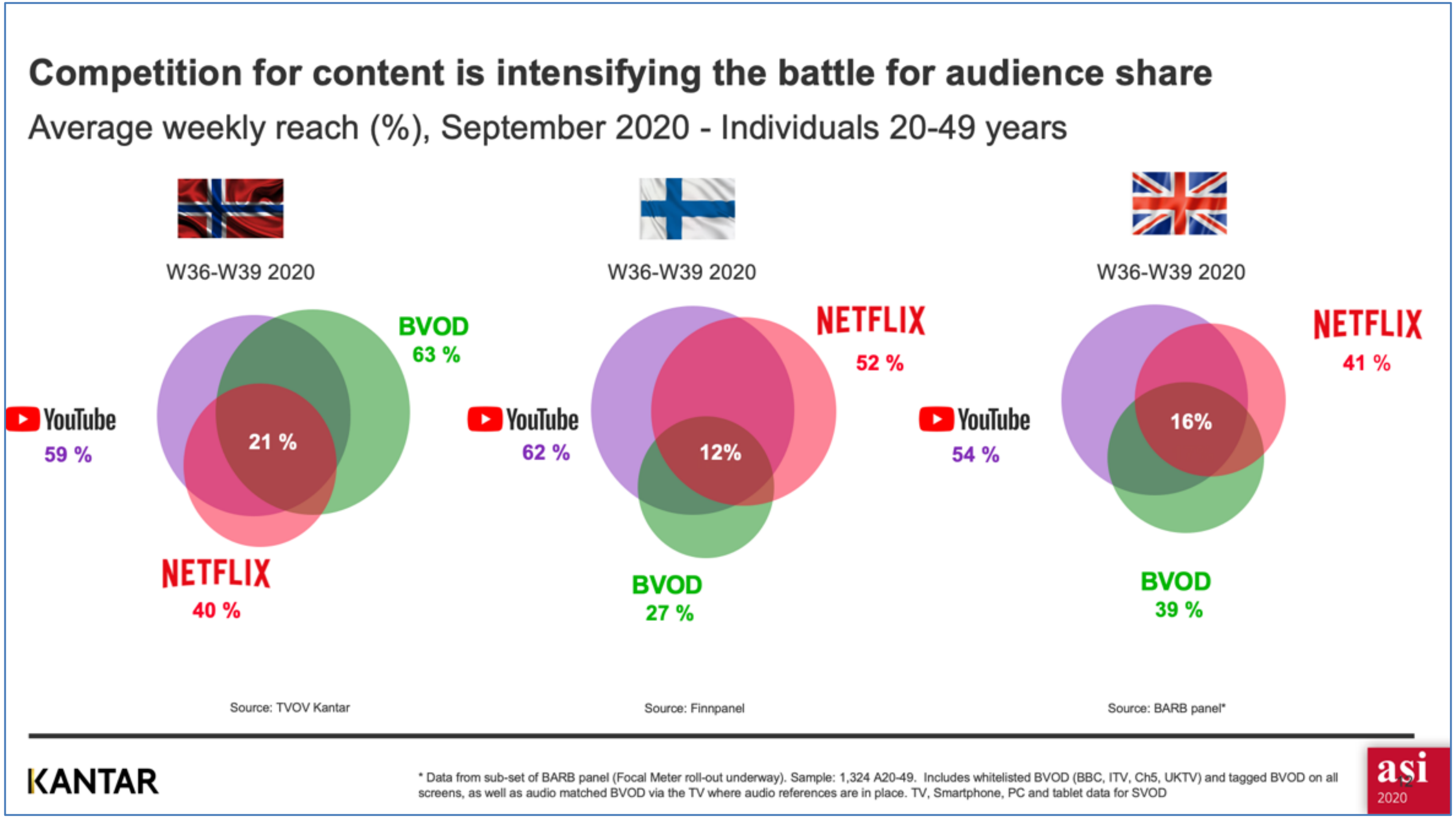


Source: Kantar @ asi Conference 2020



Source: Kantar @ asi Conference 2020

BVOD strategies

- Pandemic lockdowns have further stimulated the VOD market, for both global SVOD suppliers and BVOD.
- Key questions for broadcasters going forward:
  - Balance between linear and VOD offering
  - How to compete with deep global pockets of Netflix, Amazon, Disney etc
  - Optimum business model – subscription vs advertising
  - Is measurement 'joined up' to show how linear and VOD complement each other?

Evaluating business models

- How to maximise revenue from content across all platforms and services
- Able to demonstrate that advertising on BVOD services should be valued at a premium
  - Quality and brand-safe environment
- However, advertising alone may not be enough. Hybrid models may be the way forward
- Short-termism in advertising is limiting long-term brand building, and the pandemic is only making this worse

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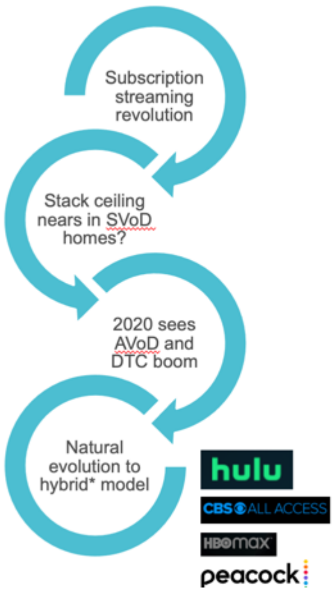
The future is hybrid



- Good news is that TV is seen as the undisputed brand-building medium
- However, need to win the argument about the need for long termism and brand-building…
- …during a global economic crisis in which short-termism and survival predominate
- BVOD offers an opportunity to reduce dependence on advertising revenue
- ..but how many services will a household budget for as SVOD market gets more and more crowded?
- The future is hybrid…

Source; Ampere @ asi Conference 2020

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Coming together....

- Broadcasters collaborating with global players
  - Co-production
  - Joint services (e.g. Germany)
- Broadcasters teaming up with each other e.g. Britbox, NLZIET

Linear vs on demand

- Linear broadcast television still drives the vast bulk of all video viewing
  - It is seen as the reach medium
  - It delivers brand fame and gets people talking
- Shift to digital transmission allowed a proliferation of channels because
  - a) it was possible!
  - b) it occupied EPG ‘real estate’ and maintained total brand reach
- Need to re-evaluate linear versus non-linear offering
  - BBC3 is a fascinating case study in UK…

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What happens to viewing when a TV channel ends linear broadcasting?

- Financial pressures prompting linear cessation
- Can result in significant savings for TV channel's content costs
- Audience of youth channels "most ready to move to an online world"?
- BBC Three:
  - 70% fall in weekly viewers
  - 89% fall in time spent
- Read full study at:

www.neilthurman.com

RadioTimes

BBC still considering BBC Three relaunch amid reports of a linear return

The BBC outlined in its annual plan earlier this year that it was considering the reintroduction of BBC Three as a linear channel.

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Source: Neil Thurman @ asi Conference 2020

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Linear vs non-linear

- Broadcasters are re-evaluating their linear versus non-linear offering
  - Transmission costs vs content production costs
  - Need for a ‘shop window’ and delivering audiences at scale
- Augmented with targeting via VOD
  - ..and measurement which ties the two together to tell a story..

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The measurement challenge

- Comprehensive and accurate data will be essential to make informed decisions to
  - get the linear vs BVOD balance right
  - maximise BVOD advertising revenue

”One accurate measurement is worth a thousand expert opinions.”

Grace Hopper

2. Cross-platform and cross-media measurement

The need for clarity

- There can be a tendency to use 'cross-platform' and 'cross-media' measurement interchangeably.
- **Cross-platform** – measuring a medium (e.g. video) across all platforms and devices in all its forms (linear, timeshift, addressable, programmatic, on-demand)
- **Cross-media** – measuring across different media e.g. video + audio + print + outdoor + ???

More clearly the role of the JICs

Who organises and funds?

WFA initiative

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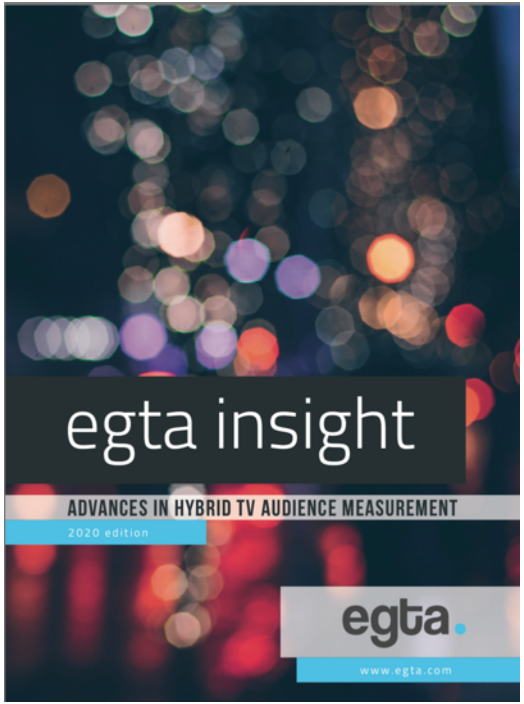
A total view of TV audiences



- Clearly the role of a JIC / currency is to expand its coverage to deliver a total view of its medium.
- Good progress on measuring content across platforms at a country level.
- Most common solution is hybrid:
  - Core meter panel
    + Router meters / internet panel
    + Broadcaster streaming data
    + Fusion

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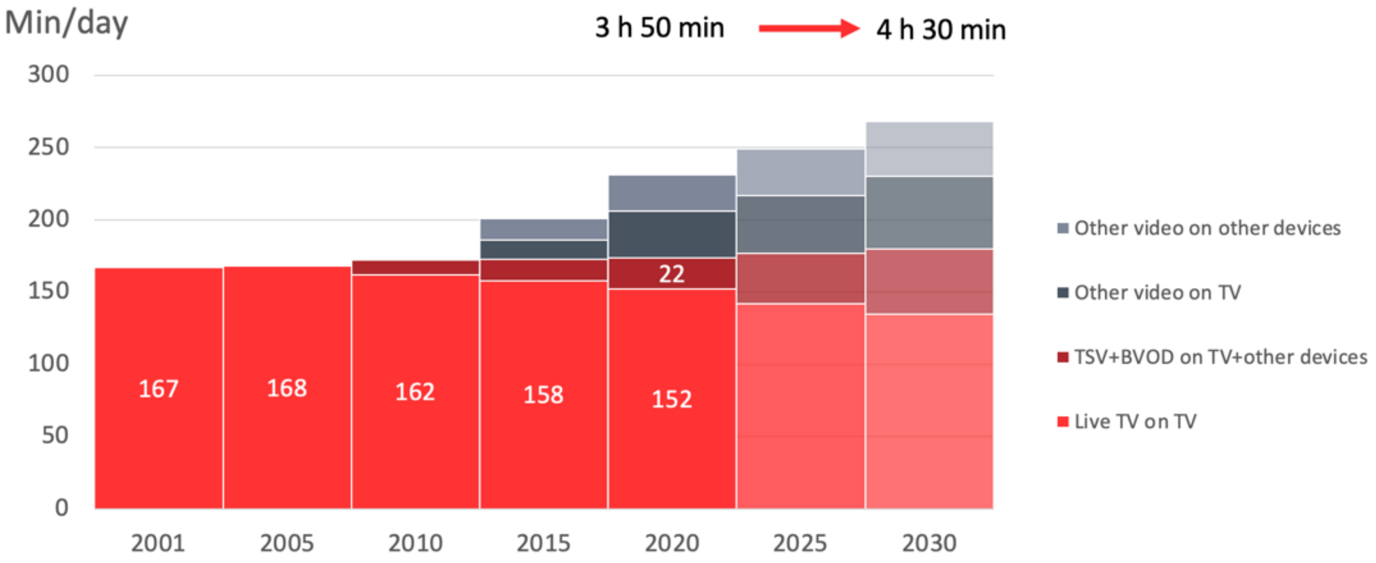
More time consumed with TV and other video



Source: Finnpanel TV-meterpanel 2001-2020 and TotalTV-measurement 2020

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Cross-platform challenges

- Still gaps in measurement
- Technical challenges e.g. Smartphones
- Less strong progress on individual adverts
  - Individual ads ‘out of context’ are much harder for TAM panels to measure, in terms of technology and in terms of sample size.
- Harder to see into ’walled gardens’ of global players
  - Need to win the argument that Netflix, Disney, Prime Video etc will benefit from shared, competitive market information
  - A hard argument for services that don’t rely on advertising.
- So ‘unknown’ TV viewing remains high and growing

What is (and isn't) television?

- Existential angst goes hand-in-hand with expanding coverage: what is - and isn't - 'TV'?
- Is online video (e.g. YouTube, TikTok) a different medium or does it have enough in common with TV to be measured in the same way?
- If so, then should JICs measure all forms of video?
- Mixed messages – in 2020 YouTube quit the German currency AGF, but later that same year joined MMS (the Swedish)!
- This confusion has led to advertiser frustration and the WFA initiative, stage one of which is arguably really only cross-platform measurement!

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Cross-media measurement and the WFA initiative

Project Origin (UK) methodology

- The statistical glue holding the system together juggles:
  - The need to measure reach and frequency across different data sets
  - With consumer privacy
- The **Virtual ID approach (VID)** is the mathematical algorithm that will tie the different datasets together. It has been developed by Google, but is ‘open source’.
  - VID theory has been approved by RSMB for piloting
  - However, Médiamétrie and CESP experts have doubts about how well the approach will measure reach across different providers
- Approach will tie together Google and Facebook data sets with broadcaster VOD and BARB.

Project Origin (UK) challenges

- Prototype and pilot to be conducted by summer 2021 However…
- What common metrics will be used?
- Will it include content as well as advertising?
  - BBC is a supporter
  - ..but will content reporting be optional? If so, why would anyone go naked in public?
- Solution needs a ‘panel as a source of truth’
  - to check the cross-platform results make sense.
  - As a source of demographics
- Will they get access to broadcaster data?
- ..and to BARB data?
- If not, is there a ‘Plan B’?

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Who pays for cross-media measurement?

- Advertisers do not speak with one voice on this.
- Some still argue that media owners should pay
- Others argue that they should only pay if the system does indeed save them ad spend
- …whilst others acknowledge that advertisers will need to fund in whole or in part
  - Some are suggesting a % levy on ad spend to fund the system

- The research agencies are on standby, unsure how involved they will be, whether a tender will be called or not

We are very much willing to lead from the front in terms of governance and funding and be actively involved going forward, yes." ***Sarah Mansfield, Unilever***

What's in it for the broadcasters?

- Some in ad industry argue that TV will benefit when placed alongside online video, that its strength will be apparent
- However, if so, why are Google and Facebook the driving forces behind the initiative?
- Is it realistic to expect that the advertising pie will grow when the aim of the advertisers is to reduce unnecessary frequency and target more effectively?
- Has been argued that broadcasters have not been consulted enough on the project.
- Leading some to argue that the initiative should be left to the JICs…
  - …but they haven't made headway so far, hence the advertisers have grabbed the steering wheel!

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3. The Value of Attention

The value of attention

- Clear momentum behind the issue of attention in the industry
- There are concerns that moves towards cross-platform video measurement will simply compare seconds of exposure with no allowance for quality of attention
- Reflected in a full session at the 2020 asi conference

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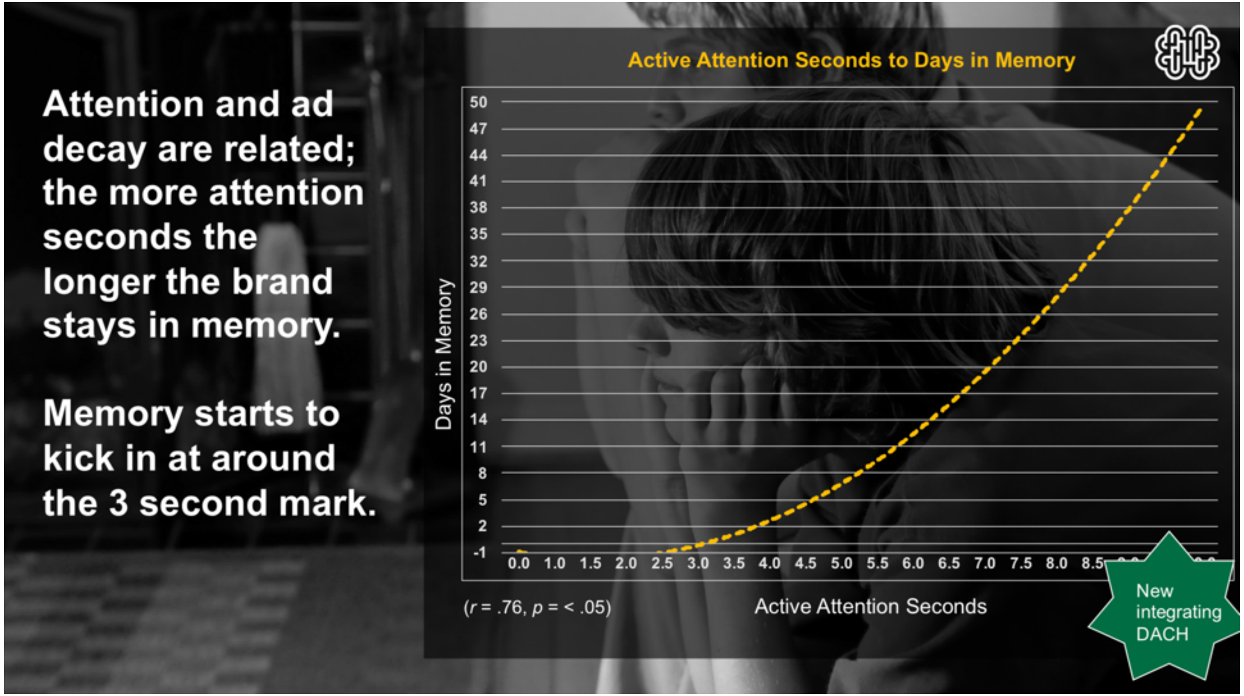
Quantifying attention – Amplified Intelligence



Source: Karen-Nelson Field/Amplified Intelligence @asi Conference 2020

Solutions are out there...

- Mostly involving eye-tracking (movement around screen) eg Lumen, Amplified Intelligence
- ..or simply eyes on screen (TVision).
- Level and length of attention = sales, but the issue is can attention become a currency?
- And what happens on different devices...

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Attention to the content vs attention to the advertising

- A media owner can produce attentive programming that maximises the available audience to see ads
- ..but attention to the ad itself is down to creative execution and media planning
- So if advertisers paid only for attentive viewers then broadcasters would be penalized for issues beyond their control. Advertisers would be insulated against bad creative and poor targeting!

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Prediction: Growing importance for media planning, but currency unlikely

- The argument for measuring attention is strong.
- Likely to augment TRP metrics but not replace.
- Future trading will remain time-based exposure, but attention could play a big role in planning media and showing TV's strength in delivering an attentive audience

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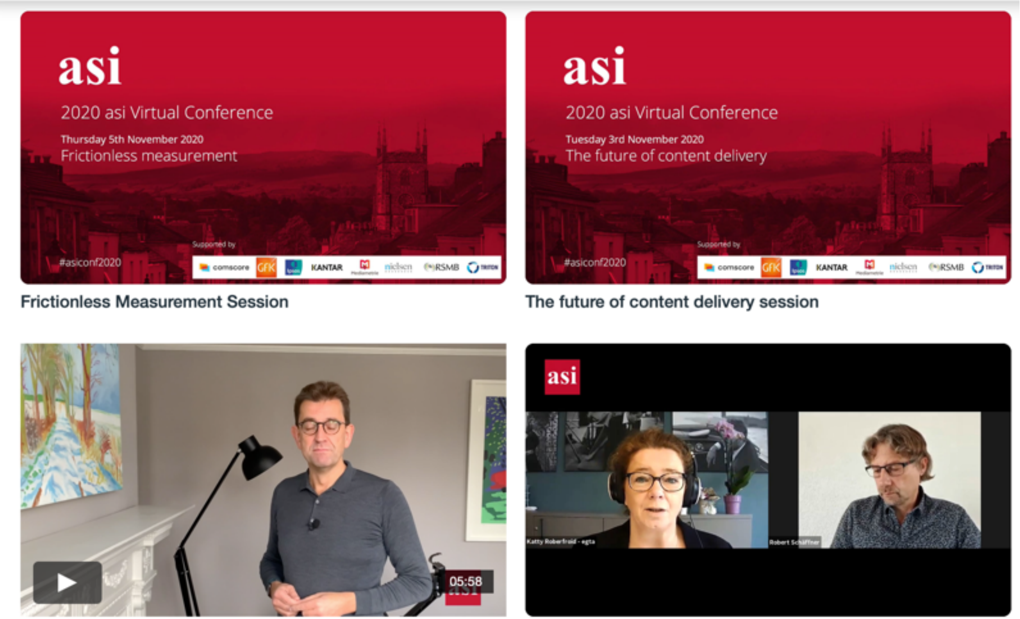
So…

- Television’s dominance as a brand-building medium is unchallenged
  - The real challenge is short-termism in advertising
- Pandemic has reaffirmed the primary role of TV in people’s lives
- BVOD is providing a premium online environment for advertisers
  - And potentially offering new revenue streams to directly monetise content
- Measurement is expanding but existential decisions needed
  - Can a common metric evaluate 30 second television ads and two seconds of scrolling social video?
  - Who takes the lead in cross-media measurement? Local solutions or a global framework?
- Attention has a potentially big role to play in media planning, but duration-based exposure measures like TRPs will remain the trading currency

You can stream all five sessions at our 2020 Conference, plus individual papers at:

www.asiconferences.com/2020-asi-virtual-conference-now-on-demand/



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