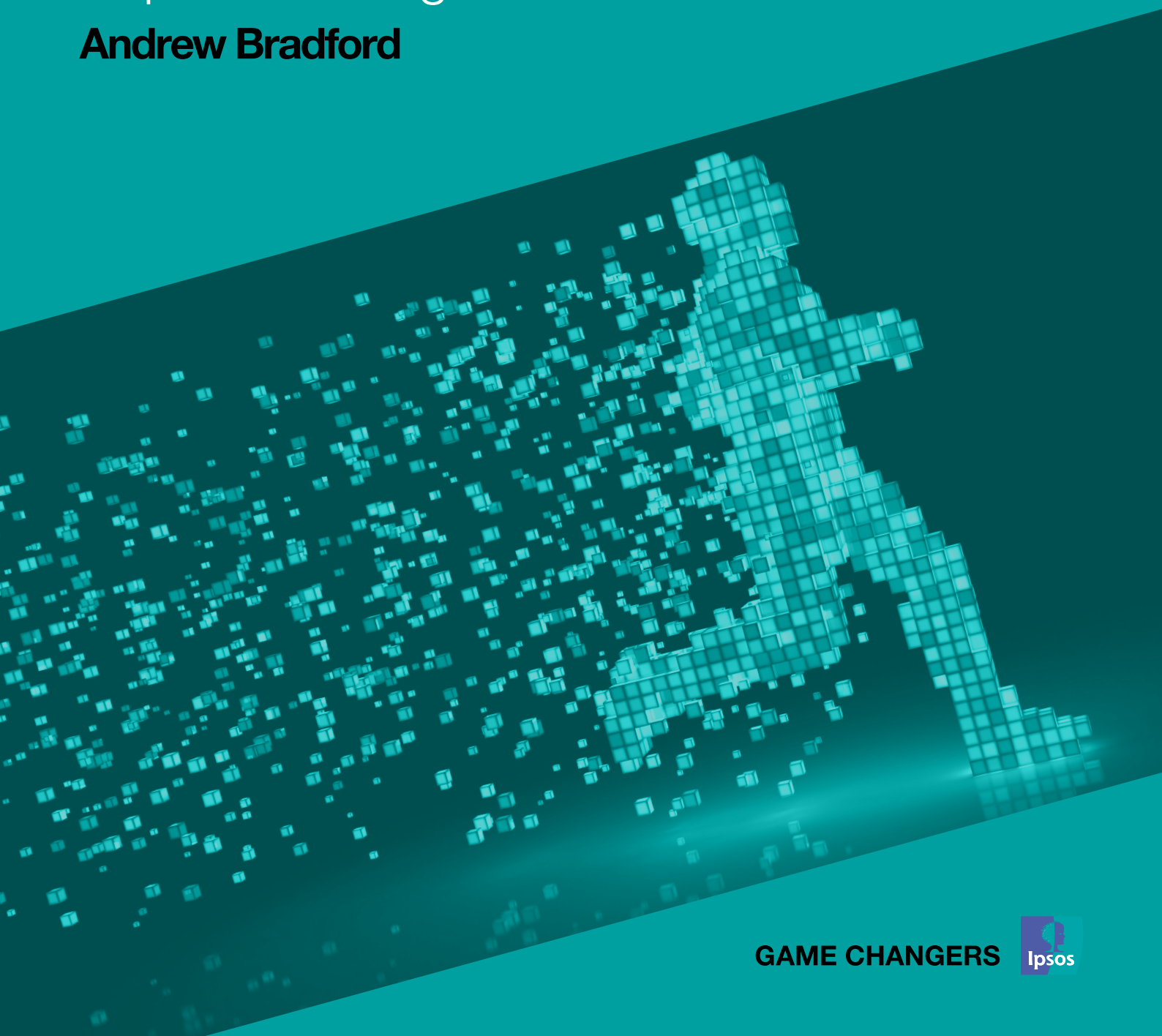


There is a better way:

Moving beyond the claims of fast, good *and* cheap digital measurement to help build stronger brands

Andrew Bradford



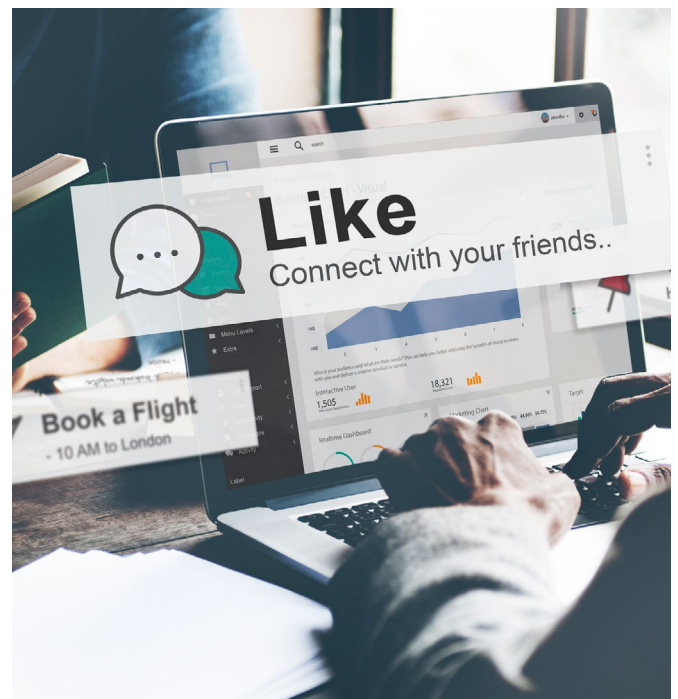
Despite many claims to the contrary and no small amount of genuine potential, I would characterise digital as a clearly defined area of doubt and uncertainty. Data is ubiquitous but often of indeterminate quality. In the last two years, the industry has been rocked by scandal after scandal. Another year of mobile anyone? Regardless of these myriad issues, including the vastly overblown claims of a new medium, we all recognise potential when we see it. I sometimes think that digital would perform much more strongly for clients if we could remove the digital industry from it. There are three areas we should focus on.

1. Convergence

At a macro-level, convergence is having a profound effect. In its broadest sense, digital is undeniably forcing advertising and media sectors together. The cycle time between advertising testing and media flighting is constantly reducing. The ability to deploy multiple creative and optimise or select high performing creative live has changed the way we look at testing; here we see the convergence of copy testing and media evaluation. The [largely behavioural] metrics used by digital buyers are rather different from those [predominantly attitudinal] measures that clients need to evaluate the power to persuade. It's also worth wondering for how long inflight optimisation will continue to be viable in an industry with significant media inventory inflation. At a channel level we are at last seeing cross media datasets that are finally delivering the necessary confidence to plan multi-channel. In my experience deploying services, the immediate challenge is that clients and agency organisations are not structured to make use of such data. Does the necessary organisational convergence between TV and digital really exist? Ipsos developed its Ipsos Connect specialisation by merging its media and advertising expertise to respond to these broad market changes.

2. Digital grows up into a medium

Evidence of the internet beginning to adopt the manners of a 'grown-up' medium is all around us. But social media continues to struggle to deliver value to clients. Close scrutiny of the claims by the social media community (usually with nine zeros following it) suggests that the power of social media to reach audiences and customers for brands is usually a rounding error compared to traditional media. Look at the investments made by companies like Facebook and Google on demonstrating their ability to deliver reach and frequency data, such as digital ad ratings. Look at their announcements such as "Likes don't matter". Exactly how many social media platforms are showing ad revenue growth?



We see the effect of that data on our market place as many publishers offer audience guarantees, just like TV. More broadly across the industry we see the mass adoption of viewability as a trading currency. Is viewability (a development to be welcomed), really any different from a TV OTS? However, in a world of trading on 2-second exposures for video, what if the client's creative needs five seconds to deliver its message? Programmatic continues to affect the market, particularly in terms of inventory pricing and improving operational efficiency. This game-changing technology infrastructure is being trialled on TV – how will broadcasters respond to these developments? Will they accept open markets or offer private market places? What will be the effect on pricing?

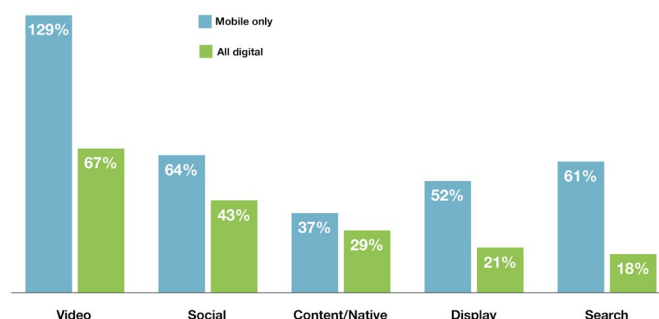
The great unifying ad format between TV and digital is video. Last year the IAB estimated that video ad revenues increased by 53% which belies two changes: a moderate increase in inventory, plus demand by advertisers outstripping that inventory increase as they search for the most appropriate format for their branding activities. This has led to a third big change: the inflation of CPMs. In fact, in the UK, Ebiquity reports that terrestrial commercial broadcasters are selling their run of schedule linear TV ads for £8cpm against all adults, and their digital video

inventory for £17.56 against the same target. The IAB (US) ad spend report shows that between 2015 and 2016 CPM-based revenue increased its share of spend against other models by 2 percentage points (an increase of \$6bn) – that's the model used in broadcast media. Undeniably, the internet is growing up but adolescent media needs accountability, like its mature brethren, and that's not always easy.

3. Accountability

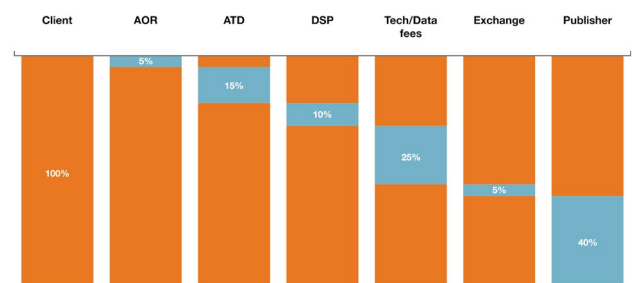
The World Federation of Advertisers suggests that, for every dollar spent on digital media, only 40 cents actually buy any media. By the time that dollar has paid the agency trade desk, the DSP, the exchange, assorted tech and data fees from a DMP, and the SSP, there's not much left. This of course excludes the issues around data quality in an industry too ready to conflate people with devices, and to be far too undisciplined in its use of metrics. When did *reach* in traditional media ever mean anything else than the number of *people* that saw an ad or content? In digital we seem to think it's OK to apply the term 'reach' to devices, households, credit cards – all very useful levels of measurement but let's not conflate them with people. Advertisers will be familiar with the datasets that publishers and platforms provide to demonstrate the

Annual Growth of key digital ad formats



Source: IAB/PwC Digital Adspend H1 2016

Resulting in a significant loss of working media spend



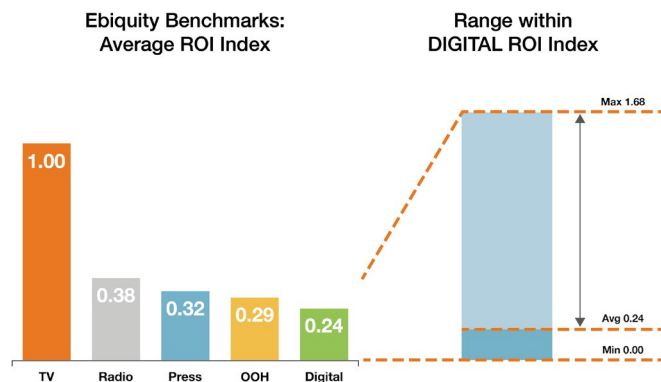
*WFA member survey: Oct 2014

But do we believe it's healthy for these organisations to be marking their own homework? Would we be happy if the referee ran out onto the pitch at Old Trafford wearing a Manchester United scarf? Are the metric definitions consistently applied between Facebook, Youtube, CNN and your trade desk? Were the questions in the survey the questions you need answers to or the questions to metrics that we know are shifted in online?

This all sounds rather negative. But there is light at the end of the tunnel. Ebiquity looked at ROI benchmarks across different media. Due to the issues noted above, digital's average ROI was low... but the variance about that average

shows that if given the opportunity, digital absolutely *can* deliver, and more than that, it can outperform other media. We need a mature, convergent, accountable industry delivering it. A significant constraint on accountability has been the need/desire for speed – often more because we could rather than whether we should. Given the inflation of media costs and subsequent increasing risks associated with flighting untested copy, the myriad of scandals afflicting digital media of late and the myriad data quality issues now exposed, one wonders whether it's high time we balanced the competing needs of quality and speed more evenly. If social media is reaching 0.02% of your customer base is it worth measuring it *every minute*?





So within this context, what are the measurement challenges facing clients today?

1. **Integrating attitudinal and behavioural data** is key to reconciling customer engagement. Connect:Digital provides a combined respondent level database to allow us to cut attitudes by exposure time.
2. **Addressing context vs consistency.** We must recognise that digital represents a more distracted experience than most traditional media (radio possibly excepted). We need to provide clients with the flexibility to test live (within context where the environment content is ever- changing) or to test within more controlled but still real, environments where the only discriminator is the test ad, all the time providing that realistic distracted environment – not a mock environment. Flexibility is key!
3. **Linking copy test insights with trading data.** Our relationship with MOAT Viewability is an industry first, linking viewability tags with survey respondents. The result is the only product available in market to directly link copy test metrics with real viewability thresholds allowing clients to take an evidence based approach to minimum viewability thresholds.

4. **Ensuring the measurement is device agnostic** but also recognising that just because we *could* doesn't mean we *should*. Those merging PC and mobile samples should recognise the difficulties of ensuring sample balance and representation; of recognising the differing levels of distraction between the house and the train; the small number of consistent ad formats between PC and desktop; that PCs don't usually use full-screen video views.
5. **Use of registration data where applicable.** Registration data can provide a rich (and high sample incidence) source of profiling data enabling Ipsos to save valuable survey time by not having to ask for claimed age and gender data. Our Connect:Live approach leverages aggregate level registration data across multiple social platforms to enable fast field times with accurate profiling.

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“ Advertising needs to do two things: capture attention and achieve brand impact

6. **Speed has been a defining hygiene factor of digital.** At Ipsos, Connect:Live can provide inflight insights within the first week of flying a campaign on Facebook – a cycle-time unmatched in the market. Connect:Digital will deliver full testing insights, including creative diagnostics along with viewability data within seven days and will shortly undergo an automation program to reduce cycle-time further.
7. **Measuring meaningful brand outcomes.** Advertising needs to do two things: capture attention and achieve brand impact. When used for brand marketing, digital advertising needs to be measured on these outcomes.
8. **A flexible protocol to meet the needs of digital.** It's critical to ensure clients are able to screen multiple digital creatives for AB tests with the option of control cells where required.



I'm reminded of an old and wise adage in research: You can have your data cheap, fast, good – pick two... so the next time you are on the receiving end of wild multi-platform claims from digital specialists (who probably don't even know what a GRP is) or accepting the word of a publisher telling you how great their performance was or considering buying data from ZappiStore because they'll produce the data before you've even run the fieldwork, please get in touch. There is another way.

There is a better way

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Andrew Bradford, Chief Digital Officer

Ipsos Connect is a global specialised business to co-ordinate Ipsos services in the domains of Brand Communications, Advertising and Media. As the world of brand communications, advertising and media become increasingly complex, fragmented and digitalised, Ipsos is helping clients better embrace this modern complexity with investment in new approaches and products that will fit with the digital age. Ipsos Connect aims to be the preferred global partner for companies to measure and amplify how media, brands and consumers connect through compelling content, great communication and relevant media planning.

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