

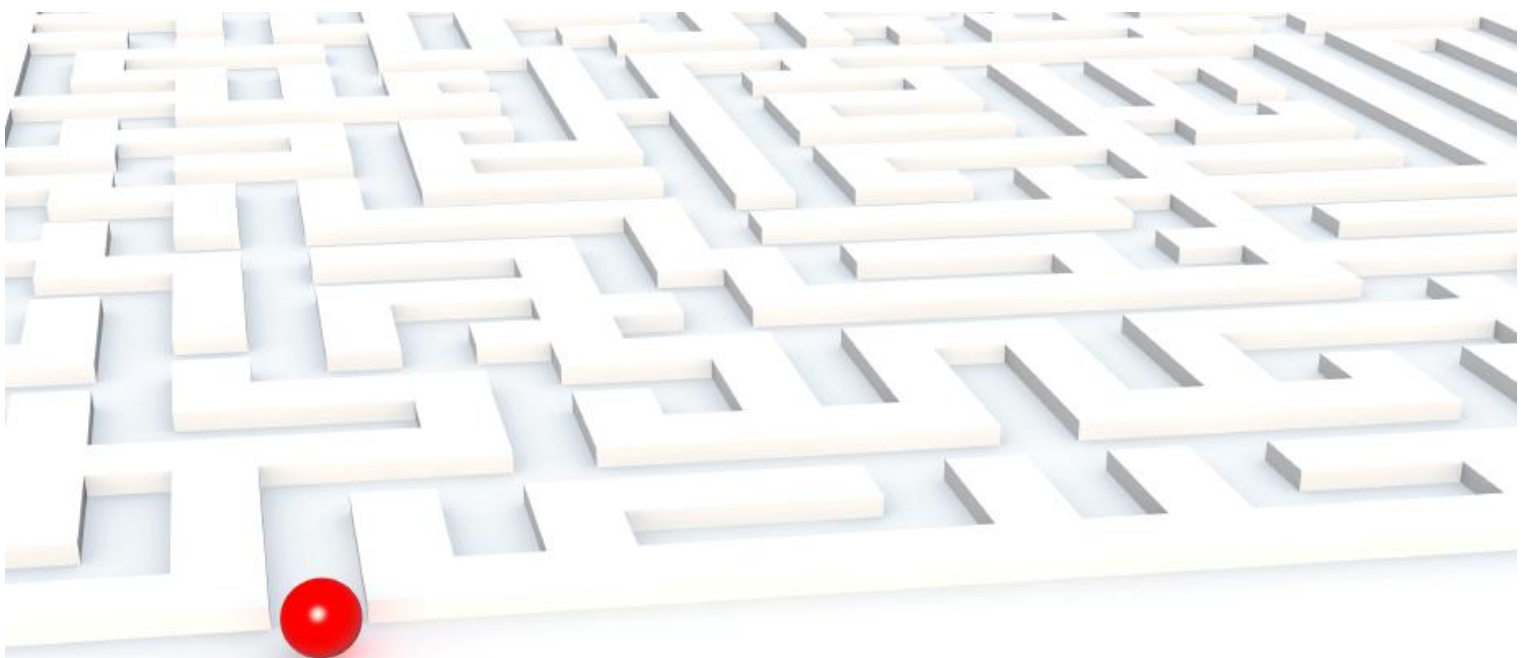
What advertisers want from online audience measurement.

WFA position paper, March 2009

This document was created by members of the WFA's Digital Network: This group of interactive marketers represents the national advertiser associations and multi-national advertisers in WFA membership; which combined account for approximately 90% of global advertising spend. More at www.wfanet.org

The objective of this paper is to help inform current and future efforts to advance online audience measurement by providing advertisers' constructive input on this vital issue

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1. Background

Advertisers increasingly communicate to and interact with their target audiences through the online media in all its variations and platforms for a broad range of purposes and objectives:

- Search, social networks, display, extensions of traditional media, advertiser's own sites or services, on fixed and mobile platforms, one-way and interactive...
- To their customers (B to C), and to other businesses (B to B), for corporate, brand, promotional, e-commerce, and many other purposes.

Online commercial communications are generally a component of a larger media mix and often evolve into, and contribute towards, direct marketing and online-database (CRM) communications.

As long as advertisers and their agencies have experimented with the commercial use of the media, most decisions have been made using common sense, previous experience, and the information provided by the online publishers.

Given current volumes of investment, the growing complexity of available alternatives and the risks and opportunities associated with both, advertisers now need to make their decisions using a broader, more accurate and consistent set of information about online media audiences.

In line with the principles of the WFA Media Charter¹, they need information specifically to:

- Assess the appropriateness and economic value of various online media alternatives and vehicles, according to their own target(s) and communication objectives
- Predict and plan delivery against targets, build online-and-offline strategies and related media mix, arbitrate between solutions, allocate budget resources and project ROI
- Execute online strategies to reach the targets within the intended time-space-intensity dimensions, using vehicles where communications will be effective and well received (or at least accepted), while optimizing delivery costs
- Purchase commercial space (and/or other inventory, e.g. search) according to properly defined and reliable metrics for contacts with the target audience
- Monitor actual execution and post-analyze if, when and how the purchased spaces or other inventory had been delivered
- Evaluate the results and ROI to improve future strategies

2. Challenges and Opportunities

Advertisers are aware of the challenges and opportunities inherent to the collection and production of the information they need:

Challenges:

- Online media is still in the process of defining itself, what it is providing to its audiences, the opportunities of contact it can offer to advertisers and their costs and value.
- Often the notions of exposure or commercial contact themselves are not clearly defined, or are defined in different ways for the same space or inventory.
- More than in other traditional media, receptiveness of commercial communication by the audience varies by format (more or less visible, respectful or intrusive) and type of environment or surrounding content.
- There is a huge variety of online media vehicles with 'blurred boundaries'. The vast majority have small, segmented audiences, the same person belonging to the audiences of a large number of different vehicles. Large samples and/or specific data collection procedures are likely to be required to accurately measure such segmented audiences.

¹ WFA Media Charter, Published January 2000, revised September 2008, www.wfamediacharter.org

Opportunities:

Interactivity provides a major opportunity, which barely exists in other media:

- Interactivity of the devices: The technical ability to monitor (and potentially track across time) the actual display/delivery of each and every piece of content on every single device in front of the audience
- Interactivity of the audiences: most frequently the audiences, when reached, are in a posture/situation where feed-back is attitudinally natural and technically possible/seamless.

This should allow levels of accuracy and cost efficiency previously unknown in audience measurement of other media for the same sample sizes.

Another opportunity arises from the relative 'youth' of the media. As new measurement systems are introduced in parallel with the media's evolution, the industry can set them up according to the needs of all parties: Consistently across markets whilst benefitting from cross-border sharing of experimentation and experience.

3. What's needed?

As stated in the WFA Media Charter: "Digital/interactive media should embrace the same standards and practices as traditional ones, but should also allow improvements that capture the potential of the medium, with full respect for the consumer. Advertisers therefore encourage experimentation with new and creative business models and marketing communication mechanisms." (§ 11.1)

Online media already has several measurement systems in place. Additional initiatives, country and-or platform specific, are currently being set up or being considered. These systems supported, at least initially, by the publishers are naturally site-centric as they have been developed to address specific category or publisher needs. As they have been independently developed, the methodologies, metrics and definitions tend to differ: Meaning their outputs are often not comparable and therefore will not realise their full potential.

Advertisers, while supporting the existing initiatives, need to see online audience measurement evolve into integrated systems that correspond to their actual needs. Wherever possible, these should cover multiple platforms and categories (consistently across countries) in order to allow consolidations and comparisons.

Such systems should:

- Be person-centric: Start from a pre-defined universe (e.g. all individuals, all adults etc.) and fully describe each individual's online activity (or lack of)
- Provide audience measures exclusively according to definitions and metrics pre-established and agreed upon at industry level. These definitions and metrics should aim to be consistent across countries
- Describe the audiences with, as a minimum; the same criteria (demo-geographic, equipment, psychographic, etc.) commonly used in marketing and media research for targeting and segmentation purposes. Such criteria should be consistent across countries whilst remaining flexible and adaptable.
- Perform and provide audience measures that are continuous, dated-and-timed, reporting the contact between a person and identified content, in line with pre-agreed definitions and metrics.
- Inform about key contact environmental information, e.g. device used, duration, where (online) the person is coming from and where they are going to, page activity - interactivity - simultaneous activity, acceptance of commercial presence
- Inform, to the greatest possible degree, about other external indicators of contact environment, such as where it takes place (home, office, outside etc.), involvement/ presence of other people, ...
- Deliver the information to subscribers in a timely manner and at a frequency compatible with the timeframe of decision-making processes. The level of detail of the available information should be limited only by technical considerations.
- Validate periodically the information it delivers, against external independent sources such as a multi-media user-centric survey or an establishment survey. If external benchmarks are not available, a replacement validation procedure must be built into the system and agreed upon by its subscribers.

To make possible media choices, resource allocation, ROI projections and post-analyses (both within the online media and across all others) such systems should also be:

- Structurally and technically ready to be integrated into larger "cross-media, consumer-centric, holistic" systems, through statistical fusion or other procedures (see WFA's Blueprint for consumer-centric holistic measurement²).

The audience measurement system should be set up and managed (or at least monitored) by an independent body, as a guarantee of accuracy, impartiality and transparency. As stated in the WFA Media Charter: "Advertisers believe that the best way to initiate, manage and shape media research and audience [...] measurement is through Joint Industry Committees (JIC's) comprising media owner, agency and advertiser representatives." (§ 6.1)

In situations where a JIC is not possible, a system run by a research company selling results directly to the users (Own Service), or with media owners as clients (MOC), the results being delivered on their behalf to other users, are acceptable solutions³. This provided that all categories of users are allowed sufficient levels of input and control, for example, through a user committee or other appropriate body. In this case, an independent auditing mechanism is highly recommended to guarantee the accuracy and credibility of the results.

4. Recommended Next Steps

As stated in the WFA Media Charter: "Advertisers support the development of global guidelines for user-centric and site-centric audience research and measurement systems, to enable a comparable common, yet flexible, approach. These systems should:

- Be in compliance with the general principles about media audience measurement [as in the Charter].
- Provide data which are, as much as possible, comparable with data available for other media, and compatible with the integration into multi-media analyses." (§ 11.4)

In the past, the industry has already addressed the needs of audience measurement systems for other media (television, radio, out-of-home) by acting in unison. Typically, the work has been organized in 2 phases:

1. The identification and consolidation of the needs of each category of users (media companies, advertisers, agencies)
2. The subsequent joint production of 'guidelines', which recommend in detail the methodology for the setup of the measurement system, its management, the metrics and definitions, the production and delivery of the results, the controls and validation procedures. Examples of global guidelines include those for TV (GGTAM), radio, and out-of-home⁴.

The recommended methodological alternatives should adapt to the different sizes of markets or countries and take into account all extensions of the media (e.g. search, mobile) and uses of the results (planning, execution, post-analyses, competitive monitoring, etc.).

This document is a contribution by advertisers to phase 1.

On the basis of past experience, phase 2 could be initiated and conducted by a joint-industry work group. The sponsorship and active involvement of ESOMAR and the ARF (Advertising Research Foundation) would be welcome and strongly recommended.

² WFA Blueprint for consumer-centric holistic measurement, re-published June 2008, www.wfablueprint.org

³ WFA/EACA Guide to organizing audience measurement. published January 2001, re-published June 2008 www.wfanet.org

⁴ GGTAM, Global Guidelines for TV Audience Measurement: EBU, WFA, et al

Global Guidelines for Radio Audience Measurement: EBU, WFA, et al

GGOOHAM, Global Guidelines for Out of Home Audience Measurement: ESOMAR, WFA et al (completed, to be published May 2009).