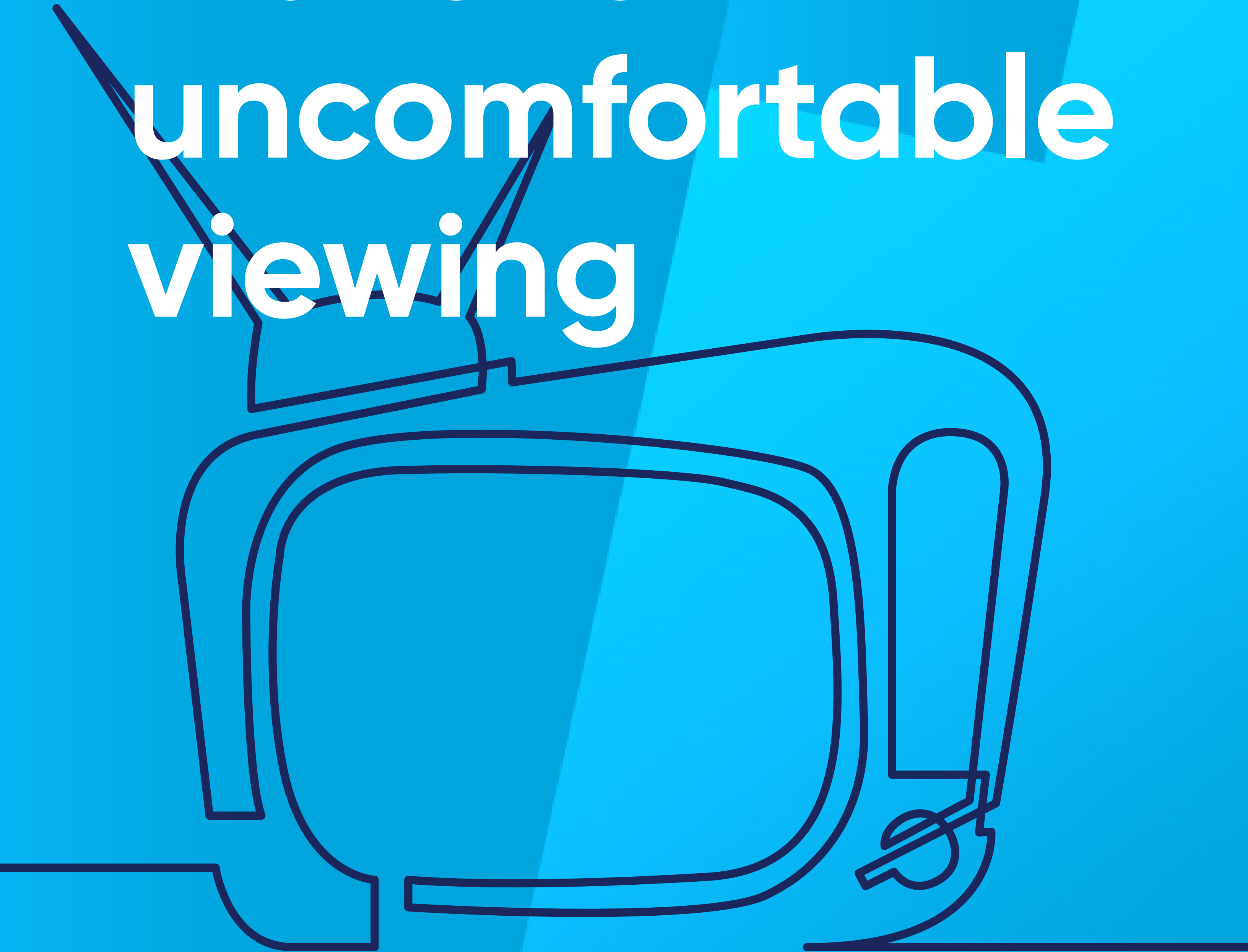
TV ratings make for uncomfortable viewing



CARAT

Concerns around viewability and ad fraud are traditionally seen as an online advertising issue. In 2014, Google revealed that half of online ads are not seen by real people; and now just this year, cybersecurity company Cheq predicted that the cost of global ad fraud could top $30 billion. However, there's equal reason to be concerned about TV ratings, as viewability of TV ads is being taken for granted. Dentsu Aegis Network's latest research revealed that, shockingly, only one-third of video ads grab an audience's full attention. When people have the opportunity to skip ads, they often do. And when they cannot skip, they often look away.

Traded on the basis of reach and frequency, TV advertising has been seen by many as the "gold standard" for viewability as advertisements cover the entire screen, making it hard to miss, and continued TV rating technology being developed over the decades. But with a closer look, this "gold standard" might not be as golden as we think.

Measurement

Measuring and comparing audience sizes between countries makes analysing international TV ratings complex. For instance, Nielsen in the US measures the average number of people in a room during an ad break vs. UK's Broadcasters' Audience Research Board (BARB) reports the number of people minute-by-minute. As people tend to leave the room during intermissions, ads shown at the end of an ad break can get up to 30% smaller audiences than the first ads of a break. As a result, the US measurement can inflate audience sizes up to 30% compared to British ratings.

Viewability

Led by Professor Karen Nelson-Field from the University of Adelaide, Dentsu Aegis Network tracked the eye movements of 3,400 people watching 17,000 ads on different platforms accross the US, UK and Australia. While TV consumed through mobile was very powerful at captivating people's attention, TV watched through a traditional set captured less attention and suffered avoidance more than any other platform in the study. During TV ads people either looked away or left the room significantly more often than with pre-roll or in-feed video ads.

Mean attention per second

53-60	60-66	63-69	80
TV on TV	Pre-roll on mobile	In-feed social on mobile	TV on mobile*

Mean attention is measured by coding an ad five times per second. Full gaze is coded as 100, peripheral gaze as 50, and avoidance as 0.

*Previous CAI research for TV viewing on a Mobile device, using differentt ads to the Dentsu Aegis Network study. This should be treated as additional "qualitative" insight.

Only ads that are seen can have an effect. Yet, currently, TV ratings don't register avoidance. As people who avoid seeing an ad are effectively muddling the figures, avoidance should be better excluded from the chargeable opportunity to see (OTS) and better reported by industry bodies. If advertisers are not willing to pay for non-existent digital ad audiences, it's worth asking how fair is it to charge them for non-existent TV audiences.

Effectiveness

This is not to say we should bypass the standard of online ad viewability, it needs fixing too. Our research shows that an ads' effectiveness goes hand-in-hand with how much of that advertisement is viewable. The more of an ad is seen, or the longer it's viewed, the greater effect. This viewability issue is rife within online advertising - makes sense.

Yet, the current viewability standard for online video ads requires that 50% of an ad's pixels must be visible for two seconds and neglects measuring audience attention. This isn't good enough Ultimately, a 'viewable' ad is not the same as a 'viewed' ad. And on TV, the 'opportunity to see' is not a measure of someone being exposed to an ad. Just purely the chance to be exposed to an ad. Our industry needs to update how it measures, plans and trades media in the digital economy.

In response, Carat supports the Media Rating Council's intent to raise the viewability standards to 100% of pixels, but to say there is more work to be done here is an understatement.

The Solution

Carat and parent company Dentsu Aegis Network have started an industry-leading initiative with top advertisers, media owners and academic institutions to find a more sophisticated way to plan and buy media. Based on eye-tracking research on drivers of attention, we are creating a universal standard; one that reliably measures the value of advertising exposure - irrespective of the platform which it's served. It will be attention-based and cross-platform.

Issuing a new standard to measure a well-established industry is not an easy feat, but only by strengthening the reliability of advertising can we strengthen trust in advertising.

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