CYNOPSIS

RATINGS MASTER CLASS

WEDNESDAY, JANUARY 25 | 9:00AM-3:30PM | YALE CLUB, NYC

With more audience fractionalization than ever before, and the growing importance of social media, the topic of note at the Cynopsis Ratings Master Class, sponsored by **comScore** and **Nielsen**, was audience measurement.

-How do you measure the total audience with the growing presence of mobile devices and with the digital streamers, who continue to introduce original scripted programs at a rapid pace (and who don't release data)?
-How is the rise of social media impacting our business, and can its value be monetized?
-How are the new ways of targeting audiences impacting the media community?
-Just how does an advertiser effectively position its product, and a network determine the success – or lack of – for an individual series in the new media landscape?

Programmers and agencies can certainly help advertisers target the audiences they want to reach, across all platforms, but in a field described as being in a "measurement crisis," the accuracy of the data is more complicated than ever before.

"Change is happening in lightning speed," opened Howard Shimmel, Turner's CRO, in a day featuring conversations with (and presentations by)…

-Kelly Abcarian, SVP, Global Watch Product Architecture - Nielsen
-Jay Nielsen, Sr. Director, Product Leadership - Nielsen
-Brent McGoldrick, CEO - Deep Root Analytics
-Zachary Soreff, President - Sawyer Studios
-Alec McNayr, Co-Founder & COO - McBeard
-Trina Pepe, Executive Director, Integrated Marketing and Promotions - Freeform
-Jeff Boehme, SVP, TV Research - comScore
-Ashwin Navin, CEO & Co-Founder - Samba TV
-Tania Yuki, CEO - Shareablee
-George Ivie, CEO & Executive Director - Media Rating Council
-Jane Clarke, CEO & Managing Director - Coalition for Innovative Media Measurement (CIMM)

This diverse group of attendees represent firms involved in media measurement, marketing, political data, social media, original cable network programming and a watch group focused on the validity of audience measurement. And they are all impacted, in some capacity, by this rapidly changing landscape.

"We used to have three broadcast networks; now we have five," said Shimmel. "We used to have a couple of cable networks; now we have over one hundred. We used to only care about linear TV; now we care about linear TV and VOD and DVRs. SVOD services like Netflix are dramatically changing the way people watch TV. Social platforms like Facebook and Snapchat are great ways for advertisers to market to consumers, and there are also other places that we

have the opportunity to distribute out content."

"But even within the linear TV world we used to only think about selling only 30-second or 15-second spots, and now we are in the world of brand integration, native spots, and integrated marketing spots where we actually let an advertiser buy a two-minute block to tell a story," added Shimmel. "So, it is important to think about the world of audience measurement, with comScore and Nielsen from the perspective of where we are today and where we see the business going. If we don't think about the future now, we are always going to be in this perennial state of being behind."

The reality of the media business at present, a theme of note throughout the day, includes the growing challenge of making certain everything is measured effectively. Change is imperative, and the total audience measurement system is not happening overnight. But there are steps being taken.

In a current content landscape consumed with more original scripted content than ever before (over 500 original scripted series, a new record, are expected across all platforms in 2017), particularly integral to this Ratings Master Class was a statement made by Shareablee's Tania Yuki over the impact of all this original content.

"For the first time since Shareablee began measuring social usage four years ago, brands are actually down, but not TV," she said. "Notably ignited by Instagram and YouTube, TV is actually up by 26%. The volume of content that TV programmers are putting out is less than the average moment that consumers are giving you for portions of that content. This means that they can still take more programming. They are not reaching a point where they are tapped out yet."

What follows are the highlights of note for each individual session:

<div style="background:#c0392b;color:#fff;text-align:center;padding:8px;">Cross-Platform Ratings: Bridging the Digital Divide (Session 1)</div>

Speaker: Jay Nielsen, Sr. Director, Product Leadership - Nielsen

Tablets, phones and PCs, all from a consumption perspective, are on a rapid rise based on the amount of time audiences are spending with these devices, while actually watching television the old-fashioned way, on television, is decreasing. So, the goal – and the challenge – at Nielsen is to find more of a total audience style of measurement.

"It is not like people are consuming television less or watching any specific type of program less. They are accessing it in different ways," explained Jay Nielsen. "We have actually extended our ability to measure across all these platforms. Now we need to organize all the information in a way that everyone has the ability to maximize the usage. The ability to measure total audience is something we are working towards bringing to the marketplace."

The goals at Nielsen at present, according to Jay Nielsen:

1. To have the ability to measure everywhere viewers are consuming content.
2. A comparable measurement from a comparable perspective via a consistent set of metrics across all the various measurement tools.
3. The ability to measure advertisements to content separately.

"For the longest time we have had the luxury of this very linear experience where we could measure content and ads together," said Nielsen. "As we move to measure things like VOD, tablets and phones, we need to have the ability to measure the content, the specific programs, regardless of the ads that are inside of the programs. We need the ability to measure the ads regardless of the content. So, content and ads must be measured separately."

Another priority at Nielsen is the ability to attach ratings and audience estimates against video, bringing audio and text into the mix.

"It is called true content measurement against the various platforms," noted Nielsen. "Overall, the product that we've got, and we are bringing to the marketplace, is something called Total Content Ratings. This is designed to get pure content measurement across all platforms regardless of the ads that are placed. And it is what we strive for in the future."

Speaker: Kelly Abcarian, SVP, Global Watch Product Architecture - Nielsen

Kelly Abcarian works at Nielsen with publishers, agencies and advertisers across the globe, managing the company's technology platforms and servicing clients in both the Watch and Buy segments of Nielsen's business.

"A lot of ways our clients use our data is to understand how to create plans and schedules, and how to understand exactly how the media is performing," explained Abcarian, who demonstrated an actual plan with a beauty brand client looking to optimize a campaign that ran over an eight week period. "You have to understand the measurement or the data you are working with. So, Nielsen has pioneered the first responsive database that is truly cross-platform."

"We want to go from linear to targetable, adding up all the people – and the eyeballs – very accurately in a cross-platform way that enables both marketers and the content owners to see the same data set," noted Abcarian. "Our total content ratings allows you to go beyond the business rules that supports the advertising metric through C3 and C7, adding up all metrics and all the digital viewing that is bringing a common language to that data set. "

In a three tier measurement process, step number <u>one</u> is asking how many people saw the advertisement, step number <u>two</u> is targeting who exactly those people were demographically, and step <u>three</u> is seeing how they reacted to what they saw.

"Marketers want to know, with confidence, who they reach," added Abcarian. "Without really having confidence in knowing that, I am not sure you know the exact impact the sales made."

For more information on Nielsen, visit: http://www.nielsen.com/us/en.html

Speaker: Brent McGoldrick, CEO - Deep Root Analytics

Data firm Deep Root Analytics worked for Jeb Bush's presidential campaign and aided Ohio Senator Rob Portman in his re-election effort. It merges voter file information, set-top box data and commercial data to optimize audience targeting and TV ad-space buying.

"We call ourselves an audience analytics firm, so essentially what we do is to help advertisers, agencies and broadcasters build attitudinal audiences," explained Brent McGoldrick. "If, for example, you are a political campaign you are going to try to achieve some mindset change or if you are a large corporation and you are trying to get people to think differently, we go beyond age and gender to create attitudinal targets and then use those to change the mindset. We work at both the attitudinal and behavioral levels, and we try to build audiences with as much data as possible."

"We create custom data and indices, working with that data that can then be visualized and put into media buying software," he added.

For more information on Deep Root, visit: http://www.deeprootanalytics.com

Speaker: Zachary Soreff, President - Sawyer Studios

Launched in 1980, Sawyer Studios is a marketing agency that offers media, creative, strategy, digital and mobile marketing services to the film and television industries.

"We started asking the question, about eight or nine years ago, what is going on with our clients and how do we effectively target audiences," said Zachary Soreff, who used NBC drama "Blindspot" as a case study positioned in non-linear, linear and digital video. "One of the things that was going on back them was the explosion of VOD movies and we realized then how quickly the business was changing."

In a presentation called Advanced TV An Overview, the five facets of the business, according to Sawyer Studios, are Addressable TV, TV Everywhere, Programmatic TV, Dynamic Ad Insertion and OTT & Connected TV. Among the findings:

-52% of all US Internet homes have at least one connected TV.
-40% of US pay TV subscribers use TVE services.
-23% watch authenticated video at least once a month.
-30% increase in Hulu subscribers to 2016.

For more information on Sawyer Studios, visit: http://sawyerentertainment.com

Speaker: Alec McNayr, Co-Founder & CEO - McBeard

"The world talks TV, and for a long time we all spoke the same language," opened Alec McNayr. His firm, McBeard, has led over 300 social campaigns for TV shows and movies, and it works with brands like AT&T, Diet Coke, Sprite and Hot Wheels. "But when digital came along and the way people consumed entertainment changed, it sometimes put TV and digital at odds. It was like Newman and Seinfeld. But I am here to tell you, as a representative of the digital community, social media and television can be some of the most powerful forces in marketing today."

"In the social world, if you want people to talk about you, the old model does not work," he added. "Instead, we like to ask all of our clients…what can you be a fan of and what can you love? If you can pick something to be a fan of, and other people are fans of, you are part of the community and part of the conversation. A fan watches every episode of a series, but a fandom will uncover all of the secrets of the series and be obsessed with it."

In a presentation showcasing fans versus fandoms…

Fans – tune-in; Fandoms – throw a watch party
Fans – buy the DVD; Fandoms – relish the collection
Fans – follow the story; fandoms – follow all the stories
Fans – enjoy what's given; Fandoms – create their own

McNayr cites Facebook, Instagram, Twitter, You Tube and Snapchat as the five most relevant social platforms. And he lists Pinterest, Tumblr and LinkedIn as secondary. New platforms worthy noting, according to MacNary, include We Heart It, Messenger, You Now and Snap Live.

For more information on McBeard, visit: http://mcbeard.tumblr.com/

Speaker: Trina Pepe, Executive Director, Integrated Marketing - Freeform

Ignited by "Pretty Little Liars," which will be concluding after the upcoming season, Freeform (formerly ABC Family) is the primary broadcasting outlet synonymous with social media and the realization that a series can last on the strength of social media alone. The new target demo at Freeform is known as "becomers."

"Freeform has capitalized on our social growth and we have used it to create a brand identity," said Trina Pepe, who cited data and analytics firm ListenFirst as the outlet for its social media data. "As part of our rebrand to Freeform we looked to switch gears to who we were focused on. We were always targeting millennials, but we decided to shift our emphasis to 12 to 34 year olds, labeling them 'becomers," and recognizing that their spending habits are not necessarily

set."

Some stats:
-Persons 18-34 spend 6 hours and 19 minutes per week on social media.
-The "becomers" demo spend 14 hours per week on mobile and 20 hours per week watching television.
-Freeform last year had 415 million engagements over all platforms.

For more information on Freeform, visit: http://freeform.go.com/

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The Data Dig: Going Deep with Advanced Consumer Metrics (Session 1)

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Speaker: Jeff Boehme, SVP, TV Research - comScore

"Television is the core of any cross-platform application," opened Jeff Boehme. "That is where the majority of the money is still spent. The question, in that television environment, is how do we program smarter?"

Like Nielsen, comScore is at a pivotal point in audience measurement because of the change in the landscape. "Now we have to plug in data and, more importantly, research insights into everything that happens within this media ecosystem," noted Boehme. "Last year we completed a merger between Rentrak and comScore and, before that, Rentak had acquired Kantar Media. The best of class data and the best of class information combined to bring real metrics to the marketplace."

"The purpose of the comScore merger was to be able to measure the value of consumers, not just audiences," he added. "And consumers across any screen at anytime. That's the platform we are building and started to introduce last year."

Describing itself as a planned packaging information specialist, the goals at comScore are…

Plan and Package
- Find the best inventory for campaign goals
- Package inventory to maximize revenue

Activate
-Build powerful campaign target segments
-Showcase audience demographics and behaviors

Evaluate & Prove
-Prove branding, behavioral and sales lifts
-Evaluate campaign effectiveness

"Great research is a result of great data, which is our ongoing goal," added Boehme. "What we are looking for is a system that says we are going to measure local television the same way we are going to measure national television. Unless you construct it the same way, you will construct different means of applications, which will only confuse the process later. It is very

important to identify what audiences are doing and how to redefine them as consumers."

For more on comScore, visit: http://www.comscore.com/

Speaker: Ashwin Navin, CEO & Co-Founder - Samba TV

Samba TV is a data and analytics service that measures television viewership using data from social media, connected devices and set-top boxes. It has integrated TV data from multiple sources – including smart TVs, set-top boxes and TV apps – to help advertisers and broadcasters understand the TV viewership habits of the modern consumer.

"In the future we are going to have to rely on devices to tell stories about media," said Ashwin Navin. "We believe that device level data is going to be the currency for media in the future. There really isn't a reliable pattern of how we watch television today, which presents challenges to the media businesses that want to reach people who no longer have a set pattern due to the mobile devices."

"Our goal is to match reach and frequency with performance – action, engagement and exposure," added Navin. "We believe that you can go beyond age and demo."

In a study comparing CBS sitcom "The Big Bang Theory" and NBC's "Law & Order: SVU" with sports car enthusiasts, audience size did not matter given the higher concentration of high prices car enthusiasts watching "SVU."

"Samba is able to measure the audience across all screens holistically, so that media companies can effectively sell their entire audience and advertisers can more accurately plan their media across screens," added Navin. "Our data typically helps prove that TV advertising by itself reaches the most people with a story that builds brand awareness."

For more on Samba TV, visit: https://samba.tv/

Speaker: Tania Yuki, CEO - Shareablee

Founded in February 2013, Shareablee measures a census of global properties and collects brand audience and engagement data across Facebook, Twitter, Instagram, Google+, Tumblr, YouTube and Pinterest. Tania Yuki began her presentation focused on social media with some interesting statistics:

-5 years and 4 months of an average individual's life, in total, is spent posting, engaging and sharing with social media.
-7 years and 8 months of an individual's life is spent watching television.
-3 years and 5 months of an individual's life are spent eating and drinking.

"Behavior based audience measurement adds a great deal of richness and perspective about

what we feel about, and what we know, about our TV audience," said Yuki, who cites 156 billion shared moments between consumers and a piece of brand content – TV shows, TV networks, celebrities, etc. "What that means is 156 billion times someone stopped what they were doing - something about a brand or a TV show that so intrigued them – that they needed to share that moment on a platform like Facebook or Instagram."

"The other point of note is that Instagram has overtaken Facebook in time and engagement across the platforms," she added.

For more on Shareablee, visit: https://www.shareablee.com/

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The Future of Measurement Fireside Chat: Can't we all just get along?

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Speakers: George Ivie, CEO & Executive Director - Media Rating Council;
Jane Clarke, CEO & Managing Director - Coalition for Innovative Media Measurement (CIMM)

The objective of the Media Rating Council is to…
-Make sure audience measurement services in the media industry are valid, reliable and effective via audits.
-Evolve and determine minimum disclosure and ethical criteria for media audience measurement services.
-Provide and administer and audit system designed to inform users as to whether such audience measurements are conducted in conformance with the criteria and procedures developed.

This session featured a Q&A with George Ivie, moderated by Jane Clarke, who with George Ivie reiterated the importance of the end users of media measurement coming together at this very time.

"One of the things the MRC has taken on most recently is to try to elevate the quality of digital measurement," explained Ivie. "If you are a digital person you are probably suffering from people asking you about inbound traffic and fraud and ad blocking, and viewability and things like that. If you are a television person, you are probably wondering how your GRPs or impressions are being valued against someone placing their content on YouTube."

"The idea is that the enrichment and integration of these data sources are becoming incredibly important and the quality of that data is imperative," he added. "Right now people are using these data sets in a syndicated fashion or a proprietary fashion and they have no idea, in general, about the quality of that original data – how old it is, where it originated from, the basic meaning of it. All of the data has to be clean and we are weighing into that and hoping to do audits of these data sources."

For more information on the Media Rating Council, visit: http://mediaratingcouncil.org/
For more information on the Coalition for Innovative Media Measurement, visit: http://cimm-us.org.