

NEXT-GENERATION TV METRICS AND DATA STRATEGIES

Priorities for the European TV industry

Summary report



Adobe Advertising Cloud



The TV Data Company



Introduction

→ In February 2018, four leading industry participants – Adobe Advertising Cloud, Alphonso, Sky and TVbeat – formed a research Consortium to explore the challenges and opportunities facing the European TV industry, in relation to measurement, metrics and data.

Building collaboratively on the work of Europe's JICs and television audience measurement providers, the Consortium, working with research and strategy consultancy MTM, have facilitated an extensive programme of research, dialogue and engagement with the European TV industry, through working sessions, seminars and interviews in five major European TV markets: UK, France, Germany, Italy, and the Netherlands. The Consortium has also spent time exploring developments in the USA – a very different market, but home to a range of important industry initiatives, as US broadcasters look to respond to many of the same challenges and opportunities that their European peers are facing.

In undertaking this work, the Consortium has been supported and advised by egta, the European trade association for television and radio sales houses, and EACA, the European Association of Communications Agencies. We are grateful for their support, advice and contributions during the project.

This summary report summarises our findings and identifies a set of priorities for the European TV industry. It is intended to highlight the urgency of addressing some of the challenges facing the industry, as the rate of change in many European markets accelerates, and to stimulate a discussion about how best to move forward, together, at a time when many executives are concerned about fragmentation and are keen to see greater collaboration and cooperation, within individual European markets and across Europe. Inevitably, given limited resources and a wide brief, it provides only a partial view of a highly-complex industry and a challenging set of issues. Ultimately, the report aims to contribute to the development of a consensus about how best to support and grow the TV industry, at a time of tremendous change and disruption.

Acknowledgements

The Consortium has undertaken an extensive programme of industry engagement, with over 150 executives taking part. We would like to thank everyone who contributed their insights and expertise to the study:

Participants in the study

United Kingdom	
Germany	
France	
Italy	
Netherlands	
Other Markets	

The views expressed within this paper are solely those of the authors and do not necessarily represent the views of the interviewees and contributors. All interviews were completed under the Chatham House Rule and, as such, have been attributed directly to specific individuals only when they have provided permission. We have identified the country and category of industry participant. The project team has also drawn upon and synthesised research and analysis from a wide range of industry sources. All sources have been attributed. Any errors or mistakes that remain are, of course, entirely the responsibility of the project team.

The Consortium



Adobe Advertising Cloud

“This is a pivotal moment for the broadcast industry, with audiences having more control and choice than ever when it comes to TV, and marketers challenged to evolve the way they connect with their consumers. To successfully continue to use the amazing power of TV to reach consumers, broadcasters need to be able to deliver better, more relevant experiences across all platforms and devices – at scale and with buy-side requirements front of mind. To meet this need, broadcasters have to embrace data-based approaches in order to improve targeting, develop effective measurement, and diversify their product offerings. It is encouraging to see the European TV industry recognising this as a major priority and starting to work together to make this happen.”

Philip Duffield, Managing Director, Adobe Advertising Cloud EMEA



“The European TV industry is well positioned to thrive in a more competitive multi-platform TV and video market. It’s encouraging to see a growing consensus to leverage audience data at scale to develop a broader portfolio of customer-focused and brand safe solutions. We have a unique opportunity to bring new advertisers to TV and to harness new technologies like addressability and advanced planning and analytics to become indispensable to brands. The priority now is for collaboration and consistency, to avoid fragmentation. TV is well-positioned to deliver even more impactful, joined-up, independently-verified campaigns and we need to work together to ensure it is as simple as possible for advertisers.”

Jamie West, Deputy Managing Director, Sky Media



“The gap between existing TV measurement solutions and marketplace needs grows ever wider. Closing this gap requires collaboration across brands, agencies and publishers alike. Through Consortium efforts, we’ve identified the unifying challenges facing nearly all industry stakeholders, defining a collaborative path forward to address critical TV measurement needs not just in Europe, but worldwide.”

T.S. Kelly, Senior Vice President, Research, Alphonso



“Technological advancements now make it possible to measure all forms of TV consumption across linear and on-demand TV services at census level. In turn, this opens up the opportunity for TV media companies to capitalise on their first party data and provide the fundamentals to deliver a more contextual and relevant TV viewing and advertising experience to consumers across all their devices. It also further unlocks enriched capabilities to optimise their holistic TV ad forecasting, planning and operational processes in order to maximise their cross-TV yield and offer their agencies improved TV ad campaign ROI. We, therefore, hope the Consortium report stimulates the European TV industry players to collaborate and set pro-active steps towards this objective which will elevate industry standards in the coming months. There are activities planned for 2019, and we invite all TV stakeholders to participate and contribute.”

Abbas Tahzib, Chief Revenue Officer, TVbeat

1. TV audience measurement has played an important role in the industry's success

“The joint industry currency principles that underpin BARB – independence, objectivity, transparency – have stood the test of time. Recent consultations with broadcasters, advertisers and agencies confirm they are as relevant now as ever before. We have invested and will continue to invest, in techniques that reflect the many new ways people can watch their favourite television programmes. The integrity and robustness of our data collection and reporting methodologies can't be compromised.”

Justin Sampson, Managing Director, BARB

→ Europe's TV industry is competitive, dynamic and innovative. Roughly twenty years since the launch of the first digital television channels and broadband internet services, TV's importance in Europe remains undiminished, sitting at the heart of popular culture across the continent, dominating media consumption, expanding across multiple platforms, and offering more to advertisers than ever before – a high-quality, high-reach, brand-safe, highly effective, trusted and increasingly data-driven medium. As online media has struggled with issues around fraud, brand safety, privacy, measurement, data integrity, transparency, viewability and effectiveness, TV's unique strengths and capabilities have become even clearer, in an increasingly fragmented media market.

It is also extremely diverse, with significant variations across the major European markets in terms of their scale, market structure, competitive dynamics, and the types of solutions being adopted by industry participants. In the Netherlands, TV advertising now accounts for only 24% of total advertising spend, whereas in Italy it still captures 48% of total ad spend. Online advertising has also evolved at different rates, accounting for 32% of total advertising spend in Italy and as much as 56% in the UK¹. While advanced TV advertising solutions are now available in all major European markets, their capabilities tend to vary significantly by company and market.

Across Europe, TV audience measurement (TAM) services, administered by Joint Industry Committees (JICs) and delivered by contracted research companies, have made an important and ongoing contribution to TV's success and resilience. TAM services deliver credible, high-quality, panel-based viewing figures, measuring not only what programmes and adverts are being viewed but also who is viewing them, using electronic people meters.

¹ WARC ad spend data (2017)

“JICs help to create trust in a market. Historically, this has been done by providing measurement that both the buy-side and sell-side agree on. For new metrics and new business models, this could be done in different ways. However, I do believe there is a role to play for independent and transparent parties such as JICs, to facilitate trust between different sides of the market.”

Sjoerd Pennekamp, Managing Director, Stichting KijkOnderzoek (SKO)

Today, Europe’s JICs and their contracted measurement service providers remain, in many respects, the gold standard for modern media measurement, providing robust, effective data for trading and planning purposes, widely trusted and supported by broadcasters, advertisers and agencies alike. Importantly, the JICs are also long-standing examples of successful pan-industry collaboration, committed to transparency and delivering auditable measurement services – the polar opposite of the walled gardens that increasingly dominate some parts of the online advertising industry.

Audience data from TAM providers also plays a crucial role in helping broadcasters manage their portfolios of channels and digital products. It is used to understand viewing habits, to assess the performance of programmes, channels and advertising campaigns, and to support programme scheduling and commissioning decisions.

2. However, TV is experiencing a period of rapid change – and the TV industry needs to adapt

➔ Despite its undeniable strengths and strong position with audiences and advertisers, it is clear that the TV industry is in the throes of a period of dramatic change.

Across Europe, the proliferation of high-speed broadband networks and connected media devices has allowed viewers to engage with TV content across a variety of platforms and devices. Broadcast TV is transitioning into multi-platform TV, becoming more diverse, with broadcasters increasingly operating a growing range of digital products and distributing their content across multiple platforms. In most markets, overall viewing has remained relatively robust, and many broadcast programmes still deliver large concurrent audiences, but linear viewing is declining across most of Europe, especially for younger audiences.

The growth of connectivity has also dramatically lowered barriers to entry, allowing a wide range of new digital competitors to compete with broadcasters for audiences and advertiser investment. For agencies and advertisers, the new digital platforms create additional options and new opportunities for communicating effectively with consumers and have important strengths: they are ubiquitous, easy to invest in, highly scalable, support consistent data applications across multiple territories, have embraced programmatic trading and self-service solutions, and are often performance-driven, delivering

² Advances in Hybrid Television Audience Measurement, egta insight (2018)

³ Media Nations: UK, Ofcom (2018)

⁴ Source: MTM Interview (broadcaster, UK)

“We know that TV isn’t dying: it’s being consumed differently, but it still delivers content and environment that pull in viewers. Broadcasters are still in a great position in the UK, as demonstrated by the World Cup and Love Island viewing across the summer. The challenge is how you take brilliant broadcaster content and generate data and insights that are valuable to advertisers and clients.”

Ruth Cartwright, Head of AV,
Amplifi UK

well against short-term sales objectives. Advertiser investment has grown rapidly across most of Europe, albeit at varying rates, impacting buy-side perspectives and expectations. Increasingly, media agencies and advertisers are looking for improved multi-platform measurement, better attribution, automation, richer audience data, new quality and viewability metrics, better sales activation, and more evidence of both short- and long-term effectiveness.

Some media buyers also note that it is becoming harder to deliver high-reach, high-frequency campaigns on TV, as linear viewing gradually declines, creating additional pressures for broadcasters. Ultimately, if this trend continues, media buyers could start moving more of their ad spend into easier-to-access pools of ad inventory, particularly the major internet video platforms, which are already often used by marketers to target hard-to-reach, light TV viewers. As a result, it is becoming increasingly important for broadcasters to deliver large-scale targeting and measurement solutions, which would allow buyers to plan, buy, and measure de-duplicated audiences across multiple media channels.

These developments have significant implications for the TV industry and its use of measurement, data and metrics. When TV was mostly viewed on TV sets, at home, with a limited number of broadcast channels, panel-based, nationally-representative measurement solutions provided a robust solution to TV audience measurement. However, as egta notes in its recent report on Advances in Hybrid Television Audience Measurement, viewing behaviours have been changing faster than the measurement techniques that form the basis of the advertising transactions that underpin the industry². More and more viewing on TVs is unmatched, typically because it falls outside of a certain window or is being provided by a video service that is not currently being measured by the local TAM provider – creating measurement ‘black holes’. In the UK, for example, unmatched viewing amounts to more than 40 average daily minutes per person³, although recent improvements to BARB will help to address this issue.

Similarly, many broadcasters have noted that although multi-platform distribution is an exciting opportunity, it is becoming increasingly difficult to understand the performance of their content and channel and product portfolios effectively: “We have more insight into some areas, but we are losing sight of the big picture – a joined-up, holistic view of our content.”⁴

During the course of the programme, many industry participants noted that the rate of change appears to have accelerated during 2018, as new services and non-linear offerings make their way onto TVs and gain traction with audiences. The consumption of TV and video content in ad-free environments is also on the rise, primarily driven by subscription OTT services like Netflix, but also new, ad-free services from broadcasters.

3. Priorities for the European TV industry

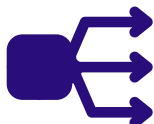
→ Given these, and other, important developments, what steps does the European TV industry need to take to manage the complex transition to a more complex and competitive multi-platform TV market?

During the course of our work, we have identified five main priorities.



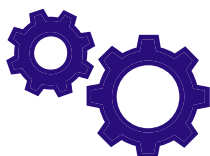
Priority 1

Ensure that TV Audience Measurement (TAM) solutions remain the gold standard in media measurement



Priority 2

Support the development of scalable, consistent pan-industry advanced TV and video advertising solutions



Priority 3

Develop the industry-wide data assets and capabilities required to cater to new advertiser needs



Priority 4

Maintain TV's status as a brand-safe, fully viewable, and effective advertising medium



Priority 5

Invest in training the next generation of data scientists to meet TV's needs

Priority 1: Ensure that TAM solutions remain the gold standard in media measurement

“We have three priorities for developing our measurement of television audiences. First, to provide multiscreen viewing figures, covering TV sets, smartphones, tablets and PCs. Secondly, to provide better reporting of the growing range of unidentified content being viewed on TV sets, such as SVOD services. And third, to maintain our reporting of new addressable advertising products, such as Sky AdSmart. More than ever, audience measurement is a team sport. Collaboration and cooperation is needed from many industry participants - broadcasters, platforms and research agencies – if we are to continue meeting the standards expected of BARB.”

Justin Sampson, Managing Director, BARB

➔ Measuring consumption across a growing range of devices and platforms, while maintaining a nationally representative panel and providing upgraded tools, presents important methodological and technological challenges for the industry, requiring considerable investment to address.

The European TV industry is widely aware of these challenges – and has for some years been taking steps to upgrade TV audience measurement, rolling out a new generation of solutions. Although these solutions do vary by market, most solutions are hybrid, fusing panel and census-level data. Census-level data sets from set-top boxes, distributed automatic content recognition (ACR) solutions and other platforms and products are an important complement to panel-based solutions, providing granular insights into consumption on certain platforms and devices. However, these data sets are not a panacea – they tell us what was consumed, but not who was watching, and do not provide a comprehensive picture of the entire TV market or of reach. Moreover, although fusion is being widely adopted, approaches vary, market-by-market, with little consensus, resulting in an even more fragmented landscape.

In general, the next-generation hybrid TAM services are not entirely new solutions, but represent a significant evolution and investment by the TV industry, addressing many of the current measurement challenges and delivering important benefits. In general, solutions being rolled out in key European markets will allow for:

- Better measurement of multi-platform and non-linear TV viewing and advertising
- A reduction in the proportion of measured TV viewing that is unmatched
- Improved measurement of long-tail channels
- Improved planning across multi-platform TV and, in some cases, online video.

Across Europe, JICs are also exploring how best to take account of the wider video advertising ecosystem. There is a strong consensus that not all video is the same and, as a result, creating consistent approaches to measurement can be challenging. Similarly, agreeing common approaches to duration weighting for video adverts on

“A hybrid solution is now essential to plug the gaps in understanding of audience behaviour beyond the TV screen. A JIC-supported hybrid system has the advantage of, independence and transparency, as well as being structured in a way which can evolve with future viewer behaviour. Hybrid solutions, therefore, build on the established single source panel-based solutions, which fundamentally lie at the heart of any robust hybrid measurement system.”

Martin Greenbank, Head of Advertising Research & Development, Channel 4

“There is an arms race going on in digital video businesses: publishers outbid each other trying to wrestle the most out of their own digital data on consumers. While this business will continue to grow, there is also a clear need for pan-industry collaboration on the strategic level. Individual publisher’s digital data don’t fit together. They are not comparable; they don’t provide measured cross-platform information and least of all an unduplicated overlap with linear TV viewing. Only a Joint Industry Committee can fill those gaps and provide advertisers and publishers with a holistic picture of media usage and campaign performance across all devices and publishers.”

Robert Schäffner, Head of Convergence, Mediengruppe RTL

different platforms, to allow for better cross-media measurement, has also proven problematic. However, these difficulties do not imply that more integrated, consistent cross-media measurement is not desirable or achievable and cross-platform measurement does not suggest that all forms of video should be treated in exactly the same way. There are recent examples of initiatives intended to support more extensive, inclusive measurement in some European markets – and it is clear that buyers are looking for improved approaches.

During the research, the Consortium has engaged widely with executives across Europe – and it is clear that next-generation hybrid TAM solutions represent a best efforts approach to resolving many of the measurement challenges facing the TV industry, commanding the confidence of a vast majority of senior industry participants in most European markets. TAM upgrades do take time to roll out, given the complexities of fusing panel and census data and the need for collaboration and consensus, but this is widely regarded as a price worth paying.

It is imperative that the TV industry continues to support, maintain and invest in upgrades to current TAM solutions, to provide better measurement of multi-platform TV as broadcasters continue to invest in their video players and digital offerings. In some markets, planned TAM upgrades will deliver the required measurement services. In other markets, broadcasters are exploring the opportunities to establish common broadcaster online video platforms, which could deliver a similar level of insight into multi-platform TV consumption.

Some industry participants have also suggested that the ultimate goal for the TV industry should be to build common data platforms that underpin all broadcaster offerings in a given market, similar in some respects to the European Broadcaster Exchange (EBX) initiative that is currently rolling out across some European markets. However, there is limited consensus about the desirability and feasibility of creating these kinds of platforms. It is unlikely that a one-size-fits-all solution will emerge in the near future.

Moreover, many industry participants note that there is little alignment across the TV industry about how best to fuse panel and census data, with approaches varying by market. As the European TV industry looks to deliver greater consistency and transparency, it will become increasingly important to agree clear common principles for fusion – and to explore opportunities to deliver greater consistency across different European markets. However, given the diversity of Europe’s TV markets, TAM solutions are likely to remain divergent for the foreseeable future.

It is clear that TV audience measurement will increasingly be a team sport, requiring TV industry participants to actively collaborate with measurement providers by sharing data, tagging content, and

“It is absolutely key that UK broadcasters continue to innovate and develop new ad products and tech solutions. In a landscape where they are faced with competition from all angles, broadcasters need to move quicker and smarter.”

Ruth Cartwright, Head of AV,
Amplifi UK

supporting other initiatives to ensure effective measurement of TV consumption across multiple platforms and to maintain TAM's status as the gold standard in media measurement.

Beyond TAM upgrades, industry executives see a need for further initiatives and greater collaboration

Despite these important improvements to TAM, senior executives across Europe generally believe that the industry needs to urgently take additional steps in relation to audience data and metrics, to respond effectively to the challenges and opportunities that TV is now facing. The transition from linear broadcasting to multi-platform TV is putting pressure on the traditional TV advertising market, with fewer programmes attracting large audiences and new pools of video inventory developing rapidly. There is a strong consensus that broadcasters and sales houses should actively explore opportunities to collaborate and deliver more consistent solutions, to avoid further fragmentation solutions as they develop next-generation advertising capabilities.

It is also important to note that the US TV industry is facing many of the same challenges and is increasingly looking for collaborative solutions, in relation to data, currencies and addressability. Many of these initiatives are developing rapidly and will bear fruit in 2019, which is likely to be a pivotal year in the evolution of the US TV industry.

Priority 2: Support the development of scalable, consistent pan-industry advanced TV and video advertising solutions

➔ Going forward, TV broadcasters will be managing more complex portfolios of channels and digital products, delivering content to multiple connected platforms and devices, developing and scaling new ad products and solutions, such as addressable and programmatic TV solutions, and building out the data assets required to support new audience profiling and targeting capabilities. Developing these capabilities will require significant investment in new advertising technologies and data platforms.

In most markets, broadcasters are already well advanced in rolling out sophisticated OTT services and advanced advertising offerings, often using registration or log-in data, combined with data on individual or household attributes and, in some cases, purchase

“It is very important to avoid fragmentation and confusion with addressable TV. We want to ensure that we share the same way of measuring and reporting addressable advertising across the different TV sales houses and distribution platforms. At the moment, we have many ways to measure digital advertising. It can be hard to know what you’re buying in digital because everyone is buying and selling different things. Also, we don’t want to have as many datasets as distribution platforms, so we’re trying to define a system where we could access homogenised datasets. This is a big ask for the market.”

Virginie Dremeaux, Director of Digital Marketing, Canal+

information. However, there is little standardisation or commonality across these advanced advertising offerings, across different broadcasters, sales houses and countries, resulting in a patchwork quilt of fragmented offerings – making it harder for agencies and advertisers to plan and buy addressable campaigns. There is also a lack of consensus and consistency on the buy-side, with some sales houses noting that expectations and requirements for multi-platform measurement and advanced TV advertising solutions vary widely, across different agencies and advertisers. There is a strong consensus that this fragmentation is impeding the development of the multi-platform TV advertising market, resulting in inconsistency and, in some cases, duplicated investment. In some markets, it is also leading to the growing importance of intermediaries focused on making it easier to transact across different inventory pools.

Importantly, the majority of TV viewing still takes place on TV platforms – terrestrial, satellite, cable and IPTV – rather than on OTT services delivered over broadband networks. To deliver advanced advertising on TV platforms typically requires some form of vertical integration and commercial agreement between the platform operator and the broadcaster, but these agreements have often proven difficult to strike. Largely as a result, addressable TV advertising in many European TV markets is nascent.

Greater collaboration, to support the roll out of new advanced advertising offerings and to reduce fragmentation, could play an important role in supporting the industry. The roll-out of standardised audience segments and targeting attributes could help broadcasters deliver greater scale across TV households to marketers (particularly when competing against the major internet video platforms), improving comparability across different broadcaster ad inventories, and potentially helping to reduce the individual broadcaster investment by pooling resources to create common metrics.

There will be different routes to achieving this standardisation in different markets. In some territories, the main opportunity for standardisation will relate to broadcaster OTT video products, where common registration initiatives, such as the Login Alliance in Germany, could be a potential solution. In other markets, broadcasters and TV platforms could work together to develop common standards for audience segments spanning both linear and on-demand propositions, while in markets where collaboration between broadcasters and TV platforms is difficult, broadcasters could still roll out standardised audience segments across their linear and on-demand propositions by adopting solutions, such as the OpenAP initiative in the USA.

The development of common industry audience segments would not prevent individual broadcasters from developing proprietary data assets, audience segments and targeting attributes that help

them differentiate their propositions from other broadcasters, but would make TV more accessible to advertisers and agencies. Industry participants note that EU's General Data Protection Regulation (GDPR) and the cost of migrating from existing technology solutions may make it more difficult to move towards common, scalable solutions – and the goal of achieving a consistent pan-European addressable TV market may be out of reach. However, industry participants acknowledge that pan-European standards and principles would be highly beneficial.

Priority 3: Develop the industry-wide data assets and capabilities required to cater to new advertiser needs

“Applications of new datasets are already having a number of positive impacts on the TV ecosystem. For example, advertisers can already leverage new audience segments that go beyond traditional demographics to cover shopping interests, purchase intent, behavioural factors, and custom segments. Seven of the top 15 advertisers on TF1 are already planning and executing Optimized Linear TV campaigns using these new data segments.”

Philippe Boscher, Head of Digital Marketing, Data, Research, Addressable TV and Innovation, TF1

➔ As the pressures on the traditional TV advertising market continue to intensify, many executives believe that the industry needs to do more to bring new advertising budgets – from both existing and new advertisers – to TV. There is a growing range of opportunities for broadcasters to tap into the budgets of smaller advertisers, digital businesses looking to grow their brands, and more performance-driven advertisers.

Historically, many of these businesses have invested heavily in digital channels – but there are clear opportunities to bring these advertisers to TV, leveraging the capabilities of connected platforms and multi-platform TV services. Developing the data sets and metrics required to cater to these new advertiser needs will be important to the TV industry as it aims to unlock new budgets and to demonstrate measurable business outcomes.

In the short-term, the scope for supporting new data-driven audience-buying capabilities may be restricted to broadcaster OTT services, given the nascent state of addressable TV advertising on TV platforms in many European markets. However, the market is developing rapidly, with common solutions being rolled out across TV platforms in some markets and legal restrictions on addressable advertising on TV platforms under review.

Across the market, industry participants are also aware of a wide range of data-driven innovations, leveraging set-top box return path data, distributed ACR solutions, and other TV and video related datasets in areas such as campaign analysis, digital retargeting, and attribution of ad exposures to online and offline outcomes. Many of these solutions are developing rapidly, but as of yet, there is limited consensus about the need for pan-industry collaboration.

“Addressable TV advertising, if finally legalised in France, will help drive new advertisers, who have smaller budgets, to TV – especially thanks to location data.”

Philippe Boscher, Head of Digital Marketing, Data, Research, Addressable TV and Innovation, TF1

Individual TV industry participants are likely to continue to invest and experiment with relevant solutions, some of which may become suitable for wider adoption in the future. However, at this stage, the most important priority is to maintain a watching brief over these types of solutions. In this respect, trade bodies and organisations like egta, the WFA, ASI and I-COM have an important role to play in disseminating information about the recent innovations in this space.

Priority 4: Demonstrate that multi-platform TV is a brand-safe, fully-viewable, effective advertising medium

“Media agencies are expressing a desire for a credible large-scale alternative to digital giants, where they could invest their client budgets in brand safe and highly viewable environments. Having a degree of consistency on the TV side as offered today by digital giants would definitely help. TV would look very strong in that context, bringing in new ad money.”

Chris Le May, CEO, European Broadcaster Exchange (EBX)

➔ Historically, one of TV’s greatest strengths has been the quality of the advertising environment – TV is brand-safe, trusted by viewers, and regulated, with clear codes of conduct, procedures and established practices. TV ads are displayed in high-quality environments, are completely see-able, and are shown uncluttered in a full-screen environment. Advertisers and media agencies generally retain high levels of confidence in TV as an advertising medium. TV advertising is also widely regarded as highly effective, delivering excellent return on investment for advertisers, as has been evidenced by many broadcasters, both individually and collectively through marketing bodies like Thinkbox in the UK, Screenforce in Germany and the Netherlands, and egta across Europe, which have invested heavily in studies showcasing the effectiveness and benefits of advertising on TV.

However, TV is increasingly being consumed across a wide range of connected devices and platforms, in browsers and video players that often represent a very different environment to the TV screen. On connected devices, TV services are not necessarily always full-screen, uninterrupted and fully viewable, and, in some environments, marketers may have brand safety concerns. Moreover, a growing volume of video content and advertising on TV screens is being provided by digital businesses that do not always conform to the high standards and strict codes of conduct that govern TV advertising.

As the market evolves, TV needs to maintain its premium status, providing brands with a stamp of credibility and extending TV’s ‘quality moat’ across all platforms and environments. Broadcasters in many markets are already exploring different approaches to demonstrating brand safety and viewability across different platforms, but these efforts are often uncoordinated, and there is

“There is a real opportunity for all broadcasters to come together and align behind new metrics”

Fabrice Mollier, ex-President, egta, and ex-President of Distribution, TF1

little agreement about how best to proceed. There is a case for the TV industry to develop a more joined-up approach to demonstrate TV's unique strengths by adopting new pan-industry metrics and principles for viewability and brand safety across all platforms and environments and differentiating TV from other, less-premium environments. Similarly, demonstrating the integrity and quality of the industry's data assets could also be an important differentiator.

As well as maintaining TV's strong premium credentials, there is an ongoing requirement to continue investing in research, capabilities, tools and techniques that evidence TV's effectiveness as an advertising medium – especially as digital businesses develop new video ad formats, direct-response capabilities and performance tools. Broadcasters and TV trade bodies across Europe already invest significant sums in demonstrating and communicating the profitability and ROI of investing in TV advertising – but the industry is changing rapidly, and spend on digital media continues to grow, inevitably putting pressure on TV. There are clear opportunities for the TV industry to work together more effectively to demonstrate the effectiveness of TV, establishing best practices and consistent methodologies, pooling resources to deliver new studies, and aggregating and disseminating them more widely – within individual markets and across Europe. Increasingly, effectiveness research needs to focus on business outcomes – and take account of the wider media market.

Priority 5: Invest in training the next generation of data professionals to meet the TV industry's needs

→ Managing increasingly complex portfolios of digital products requires new skills and capabilities in broadcasting businesses. Broadcasters are investing heavily in upskilling their staff and are recruiting data analysts, scientists and digital specialists to complement existing teams. However, although some broadcasters are well-advanced in developing their data strategies, industry participants note that many TV companies have found it difficult to develop state-of-the-art data capabilities.

Like many other sectors, the TV industry often struggles to attract and retain skilled personnel, and there is a limited pool of experienced data analysts, scientists and digital specialists with the right expertise and industry knowledge. In part, these challenges relate to growing demand across multiple industries and to a lack of STEM (Science, Technology, Engineering, and Mathematics) skills in many European markets.

However, there is also a lack of dedicated industry funding and training schemes to supply the next generation of TV industry data specialists.

Given this, we believe that there is a strong case for broadcasters to collectively invest in training and mentoring schemes to cultivate the next generation of data and analytics talent to support the industry. The TV industry has a long track record of investment to support producers, broadcasters, engineers and other specialists, but, to date, data specialists have not been a significant focus. The aim of these schemes would be to increase the availability of experienced data scientists and analysts who understand the changing needs of broadcasters and can help the industry prepare for the multi-platform TV era.

4. The roadmap going forward

“Pan-industry collaboration is the only route for us to be able to track, analyse and monetise audiences on different devices and different platforms. Panel and census data, first and third party datasets, tagged and untagged content, and set-top box data are important items on the TV industry’s agenda. They bring all the relevant parties across the industry – including publishers, advertisers, media agencies, technology suppliers and telcos – to the same discussion table.”

Michel van der Voort, Director,
Screenforce

→ Europe’s major TV markets are diverse and dynamic, with significant variations between market structures, levels of investment, competitive dynamics and audience preferences and behaviours. However, there are also important similarities – and we believe that the strategic priorities identified during the course of the Consortium programme are relevant across all of Europe’s major TV markets.

Clearly, many individual broadcasters and JICs in certain markets are already well advanced in delivering against these priorities. However, the urgent requirement identified by many industry participants is for greater collaboration and consistency across the market when developing expanded portfolios of advanced solutions. As one senior industry executive put it, “there are lots of initiatives across the TV industry – and coming in from other industries too. We need to identify priorities for the industry as a whole – initiatives that would benefit from joint action and collective endeavours.”⁵

While delivering a significant commercial impact is likely to take time, it is widely recognised that urgent action is required to determine how to organise for collaboration in order to start moving forward more quickly. This is critical as European TV companies are increasingly compared to major internet video platforms which are able to rapidly deploy large-scale innovations. In US TV industry participants are already ahead of their European peers, with growing collaboration between buy side and sell side, which is still less common in most European markets.

To deliver against the identified strategic priorities successfully, Europe’s TV industry needs to find new ways to balance collaboration and competition, innovation and standardisation. In some territories, industry bodies are already taking steps to coordinate

⁵ Source: MTM interview
(broadcaster, UK)

“Broadcasters need to look harder at collaboration around data and digital platforms. There’s value in sharing data from digital products among broadcasters, linking different datasets together and making this data available to the market. Each broadcaster could benefit from knowing what their viewers watch on other broadcaster services, helping us improve our services for audiences. I strongly believe data partnerships and collaboration are going to become even more important in the coming years.”

Nick North, Director of Audiences,
BBC

activities and to ensure consistent approaches across the TV industry, but in other markets cooperation is much less developed, raising concerns that current institutional arrangements require support if they are to deliver against a new set of priorities.

It will be incumbent upon broadcasters in each market to find the right approaches and vehicles to implement these solutions, which will require coordinated investment in technology and new data assets and metrics. An important step in doing that will be to establish a consensus and alignment among broadcasters, advertisers and media agencies, with industry participants in some markets having already formed dedicated pan-industry working groups – for example, Médiamétrie in France has established a data committee, including broadcasters, publishers, media agencies and advertisers, to explore the development of common audience segments and to facilitate data sharing between the buyers and sellers of advertising.

As the industry continues to change rapidly, industry participants in other markets could benefit from similar initiatives, establishing jointly-funded organisations that would help to coordinate investment and could potentially become the vehicle for delivering against some of the priorities noted above. In some European markets, these functions could simply be taken over by existing organisations, while in other markets it may be necessary to establish new organisations, jointly-owned by broadcasters and, potentially, other relevant stakeholders. To succeed, any new pan-industry TV data solutions will have to support independent third-party data verification, ensure data integrity and transparent data techniques, and be based on win-win commercial agreements between the parties involved.

The immediate priority is for dialogue, to identify opportunities for greater collaboration, coordination, and consistency.

About the Consortium



Adobe Advertising Cloud

Adobe Advertising Cloud is the industry's first end-to-end, independent platform for managing advertising across traditional TV and digital formats. By focusing on brand safety, improving transparency and leveraging the full power of Adobe Creative Cloud and Adobe Experience Cloud, our platform enables advertisers to gain greater control of their global advertising spend and achieve their business objectives. The platform already manages roughly \$3 billion in annualized ad spend on behalf of more than 1,000 global clients, including Allstate, Ford, Johnson & Johnson, Kraft, L'Oréal, MGM, Nickelodeon and Southwest Airlines.



Alphonso is a TV data company and the market leader in providing brands and agencies with verified TV audiences on mobile devices and the web. Its Alphonso TV Data Cloud services power TV retargeting and brand insights for hundreds of the Fortune 500 brands and agencies in the US. The company enables its clients to amplify their TV spend with digital, and to reach targeted TV demographics across all screens. With automatic content recognition (ACR) technology embedded in tens of millions of hardware and software products including smart TVs, TV chipsets, mobile apps, gaming consoles and streaming devices, Alphonso understands what programming and advertising people are watching on TV. Through its Alphonso Insights SaaS offering, Alphonso delivers actionable insights and closed-loop attribution with offline data in real time, to help its customers understand the true impact of TV advertising.



Sky Media is the advertising sales arm of Sky, offering brands an exciting array of opportunities, helping deliver solutions that connect and engage current and future customers. Representing all of Sky's famous channels including Sky Sports, Sky News and Sky 1 - Sky Media also sells on behalf of renowned broadcasters and channels including Viacom, Discovery, NBC Universal, Fox and A+E Networks. Sky Media is also a leader in addressable technologies bringing both Sky AdSmart and Sky AdVance to the market in recent years.



TVbeat provides a Total TV Software Suite for TV media companies to succeed in the evolving advanced TV opportunity. By streamlining first party linear and VoD TV data across all their TV properties, our software can automate and optimise TV ad planning, budgeting and forecasting, facilitate data-driven TV audience targeting, and enable

customised post-campaign reporting across linear and VoD. TVbeat offers both modular services for internally developed solutions, as well as fully managed solutions. Founded in 2013, TVbeat has offices in the USA, UK, Netherlands, Croatia and over 40 clients in 9 countries.



MTM is an international research and strategy consulting firm, specialising in media, technology and advertising. MTM helps clients in the private, public and not-for-profit sectors around the world understand and respond to digitally-driven change, providing award-winning consumer research, industry analysis, strategic advice, and support for new ventures, business development, and organisational change and transformation. Headquartered in London, MTM is a private company working with clients around the world.

Advisors



egta is the Brussels-based trade association of more than 143 television and radio advertising sales houses. Together its members, active across 41 countries (mainly in Europe) collect more than 80% of television advertising investments in Europe. As sales houses of both public and private broadcasters, egta members commercialise the advertising space around audiovisual content available on platforms such as TV sets, tablets, smartphones, PCs, Smart TVs and other Internet-connected devices.



European Association of Communications Agencies (EACA)

is a Brussels-based trade organisation representing more than 2,500 communications agencies and agency associations from 30 European countries that directly employ more than 120,000 people. EACA members include advertising, media, digital, branding and PR agencies – providing an important link between agencies, advertisers, content owners and ad-tech companies across Europe and around the world. EACA actively participate in setting the highest professional standards and promoting honest, effective advertising and awareness of the contribution of advertising to the free market economy. EACA also works closely with the EU institutions and other European trade organisations to help protect the freedom to advertise responsibly and creatively.

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