



VIEWABLE

Impressions

THE NEW CURRENCY OF DIGITAL
MARKETING MEASUREMENT

BY MICHAEL J. MCDERMOTT

It's been more than 300 years since philosopher George Berkeley asked, "If a tree falls in the forest and no one is there to hear it, does it make a sound?" Oddly enough, digital advertising needs to find out the answer to a very similar question: If an ad is served on a digital medium and no one sees it, does it have any value? It's a safe bet that debate on Berkeley's pondering will continue well into the future, but the looming adoption of a viewable impression standard as a key metric in digital marketing promises to put the second question to rest.

In fact, the creation of a viewable impression metric to replace the served impression standard is just one aspect of a broader initiative called Making Measurement Make Sense (3MS), a joint venture by the Association of National Advertisers, the American Association of Advertising Agencies (4A's), and the Interactive Advertising Bureau (IAB). The initiative is also supported by the Newspaper Association of America and the Online Publishers Association. The Media Rating Council (MRC) is responsible for establishing and managing an ecosystem-wide process for developing, testing, and institutionalizing measurement guidelines specific to interactive media.

The overarching intent of 3MS is to make digital media more hospitable to brands by changing how the value of interactive advertising is measured. The critical first step toward that is making digital media measurements directly comparable to those of traditional media. The five guiding principles of 3MS are:

- Moving from served impressions to viewable impressions as the primary currency of measurement for digital ads.
- Migrating online advertising from gross ad impressions to a currency based on targeted audience impressions and the reach and frequency of those exposures.
- Creating and implementing an ecosystem-wide classification system and taxonomy for banner, rich media, and streaming video ads.
- Defining, standardizing, and accrediting metrics for view-through reporting for brand marketing and related social activity.
- Establishing standards to facilitate cross-platform planning, buying, and analytics so that digital media measurement can be compared and integrated with other media.

"The viewable impression standard is the essence of why we did 3MS in the first place,"

- There's a new way for digital media measurement to be compared and integrated with other media.
- The viewable impression standard will enable superior ROI metrics.
- Existing support from companies and agencies is expected to gain momentum in the coming year.

says Bob Liodice, president and CEO of the ANA. "When you step back and assess the digital marketing landscape, the marketing community was consistently focused on transacting in served impressions. Unfortunately, it was a bad proxy for what the consumer actually had the opportunity to view."

True, it can be argued that there is no guarantee a particular ad served in any media channel will be seen by a targeted consumer, since viewers leave the room during TV commercials or record shows and fast-forward through ads, and readers flip through newspapers and magazines without stopping to look at ads. But the key word in Liodice's statement is "opportunity."

Since buyers can confirm that ads placed in broadcast, outdoor, and print media appeared where and when they were supposed to, they know their target audience members at least had a chance to see them. That's not the case with digital ads, however, because any digital ad has a one-in-three chance of not getting seen because it appears below the fold, is slow in loading, or is not shown for some other reason.

A viewable impression is defined as one where 50 percent of an ad's pixels are in view for at least one second. On March 31, the MRC lifted its advisory on viewable impressions for display advertising, giving a green light to the industry to begin transacting on the new metric for the first time.

"In January 2014, the MRC issued its final proposed draft of the viewable impression guidelines to the industry committee that is assisting us in vetting our proposed language," reports George Ivie, CEO of MRC. "This draft included parameters for both display and video viewable impressions. We have received a final round of feedback on this draft, and the MRC is preparing to issue a draft of the viewable impression guideline for public comment." Following that 30-day comment period, MRC will have discussed any feedback with the vetting committee before issuing the final version of the guidelines. While waiting for the final document, Ivie has been urging brands,

agencies, and publishers to use the parameters circulated in January to prepare for quick adoption because those parameters "are expected to be materially complete."

Those brands that adopt the standard should be able to increase the effectiveness of their digital marketing efforts. "They will be able to do a better job of tracking their digital campaigns' performance, bringing more accountability to the channel," says Duke Fanelli, executive vice president and CMO of the ANA. The new measurement standard will make calculating marketing ROI in digital easier and more accurate, and help brand marketers determine how efficient a particular site was and whether they want to use it again.

Adopting this standard will also hopefully give brand marketers a foundation for developing other fundamental innovations, such as the digital gross rating point. Creating a GRP comparable to what is used in other media is "crucial for the evolution of cross-platform analytics," Liodice says. A common GRP would eliminate a major challenge currently inherent to enhanced integrated marketing. It would let brand marketers do a better job of refining their marketing mix modeling and make better media-buying decisions.

Marketing professionals on the agency side also strongly support a viewable impression standard, according to Mike Donahue, executive vice president of strategic partnerships for the 4A's. "At the outset, the 3MS initiative was not immediately focused on viewable impressions," he says. "In the very first meeting, it was two agency people who said that we have to move away from served impressions to viewable impressions. The need was driven by advertisers' strong and growing desire to be able to do cross-platform buying."

Viewable impressions are a key component in building GRP and relevance-feedback models to enable "the elusive cross-platform analysis that will allow marketers to understand how to optimize their digital investment," says John Montgomery, COO of GroupM Interaction in New York. He cites



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Q&A with George Ivie, CEO of the Media Rating Council

Q. Why is the creation of an industrywide viewable impression standard so important?

A. Viewable impressions are critical to determining an accurate return on investment for digital advertisements. Ads that appear on legacy media such as television already represent an “opportunity to see,” so comparability hinges on both parties measuring the audience to discrete ads on a viewable basis. Establishing a viewable impression standard is the foundation to allowing an accurate calculation of digital gross rating points and will enable tools that can calculate cross-media GRPs. Brand marketers everywhere are seeking these cross-media comparable metrics. Quite simply, you can’t calculate cross-media GRPs without first taking the critical step of converting served impressions into viewable impressions.

Q. Where does the effort currently stand?

A. The MRC is in the process of closing out its work related to viewable impressions and will be transitioning work to other priorities; specifically, we will be moving to the guidelines related to digital and cross-media GRPs. Two steps remain open for viewable impressions and removing the MRC advisory: initiating the public comment phase and thereafter finalizing the guideline and completing vendor reconciliations. We are also working on communicating the learning from this process to the marketplace, and we plan to work with the vendors to adopt best practices and processes that foster consistency in reporting.

Q. What were the biggest challenges that had to be overcome?

A. The adoption of viewable impressions is a disruptive process for all sides of the ecosystem. The MRC has been in the center of creating the guidelines in a technically appropriate manner, describing the merit of the idea in general and participating in educating buy- and sell-side practitioners wherever possible. Encouraging the movement to viewable impressions has been a very large, demanding project. The most difficult technical issue to solve has been improving the overall measurability of viewable impressions. When we first examined the measurement of

viewable impressions, there was a large number of served impressions where the viewable status could not be determined — sometimes greater than 50 percent of the impressions in a campaign. This was a significant problem and the most compelling reason for issuing the original MRC viewable impression advisory. Calling attention to the issue of cross-domain iFrames (which were a key reason for the unmeasurable impressions) and the challenges this structure posed to the process was critical. Since then, the marketplace has been innovating to solve these issues, and the Interactive Advertising Bureau has developed a very important new type of iFrame called SafeFrame.

Q. What are the next steps in terms of rollout and adoption?

A. In addition to finalizing the measurement guideline, we also are working to help the marketplace understand the standard parameters and measurement requirements in all the forums available to us. The ANA, 4A’s, and IAB have established a plan to work jointly to increase awareness of the benefits of viewable impressions and the lifting of the MRC’s advisory. We believe adoption of the viewable impression standard has compelling business benefits for all parties in the ecosystem, and hence we fully expect a strong movement to adopt it during 2014 in the U.S. We also believe many other countries are following this effort, and this will become an international movement.

Q. Any final thoughts you would like to add?

A. The MRC has been encouraged and excited by the increased attention that the ANA, advertisers, and the other associations have been devoting to measurement issues. We hope this continues and builds. Today’s accountability requirements dictate that advertisers assume a more active role in their “measurement destiny.” So become active; seek out and join the MRC. Put your voice and priorities into the mix. Participate in MRC’s standards committee, a group of MRC members who help establish our priorities for measurement standards development initiatives. In short, help us drive toward a future with improved measurement.

— M.M.

additional reasons why a viewable impression standard is important for advertisers, agencies, publishers, and “in fact, all of digital media.” It will:

- Improve confidence among marketers and off-line agency staff in justifying digital investments.
- Modernize the standard for payment from a model that is more than a decade old to a new one that accounts for

suspicious activity, failed downloads, out-of-view placements, and so on.

- Eliminate operation waste in the ecosystem for both sellers and buyers (i.e., why spend time and money activating placements that can’t be viewed?).
- Improve insight into best practices for maximizing viewability.
- Provide better attribution modeling based on verified exposures, leading to better ROI.

- Improve user experience with cleaner, more appealing page designs.
- Enhance digital media performance and recalibrate response and attribution models.

Montgomery acknowledges the challenges of these advancements. “Viewability will change the way agencies buy and reconcile digital media, and there will be a need to recalibrate campaign

metrics,” he says. “The number of impressions one needs to achieve a goal is likely to change when using viewable impressions, and it may take some time before these new levels are understood.” Agencies will also need to evaluate competing offerings from viewable impression and ad verification vendors. “There are already 10 MRC-accredited vendors, so we will need to focus our efforts on fewer partners,” he adds. “None of the challenges that viewability poses are insurmountable; the industry has had time to prepare.”

Getting Ready

The need for a viewable impression standard in digital marketing seems so obvious that it’s easy to wonder why it’s taken so long. The delay is because of the significant technological and legacy strategic issues that had to be overcome. As Sherrill Mane, senior vice president of research, analytics, and measurement at IAB, explains, digital media is still being transacted on ads served rather than opportunity to render because that is what the technology has allowed until now. “There was never any intent to be misleading or to deceive,” she says. “When the standard was written for what was an impression, the technology did not let you know whether the ad actually rendered, just that it was served; that was all that could be measured.”

The major legacy strategic issue behind the served impression standard’s long dominance is the nature of the type of advertising that has historically run in the digital channel. “Most of the ads in digital display have been performance advertising. Performance advertisers set a key performance indicator metric such as click- or view-through to their site, and if they hit their number, they’re good,” Donahue says. “Packaged goods companies and other brand marketers typically are not transaction-driven in the digital space. Their objectives are brand building and attitude enhancement, and they need to be able to compare the effectiveness of their ads in digital media with their ads in other channels. If the ad can’t be seen, the comparisons are not meaningful.”

At the outset, publishers are going to bear the brunt of the changeover to a viewable impression standard. “The ones ahead of the curve have been running tests in preparation for this,” Mane says. “They’re going to have to redesign their sites and rethink how ads render. There is a tremendous expenditure of time, effort, and money involved.” The large number of viewable impression measurement vendors that have received or are pursuing MRC accreditation is also a concern for publishers, she adds. “Every time another vendor becomes accredited, publishers

have to start testing that program. They are finding significant differences across those processes, and MRC is doing a reconciliation study.”

Big Adjustments

To help publishers meet these challenges, IAB has developed SafeFrame 1.0, a specification that offers mechanisms to support the measurement of digital ad impression viewability. SafeFrame replaces traditional iFrames and adds key advantages, including the prevention of external access to sensitive publisher and consumer data while enabling advanced rich media capabilities. Mane says SafeFrame will significantly contribute to the momentum of 3MS and help to resolve a major challenge to the interactive advertising industry’s ability to adopt “a digital measurement paradigm that addresses the needs of marketers, agencies, and publishers in a cross-platform world.”

The viewable impression standard is going to provide a new way of segmenting value, and it will allow those three groups to “get to the hard work of figuring out impact,” Mane says, noting that there will be winners and losers along the way. “This change is huge, dramatic. It’s like saying we are going to mint new coins,” she adds.

Liodice acknowledges the new system will be imperfect at the start, requiring refinement for some time after its deployment. But, he emphasizes, there is no turning back. “The lifting of the MRC advisory [against transacting on viewable impressions] represents the waving of the checkered flag for everyone to move forward with this new standard for digital display and video ads,” he says. “The marketing community has invested too much time and money not to make the leap to viewable. No system is going to be perfect coming out of the gate, but we must act now to capture the significant benefits that a more meaningful approach to measuring digital ad value can provide. This is a major step forward in brand marketers’ quest for truly meaningful cross-platform analytics capability.” ■

