

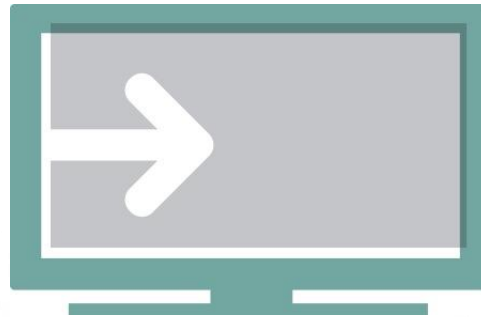
TV'ization

The Path Towards a Common
Video Currency

PRESENTED TO
AIMIA

05/01/13





WHAT IS TV'IZATION OF ONLINE VIDEO?

Consolidation of TV/Digital Video buying or Agency Move
Towards Video Neutral

TV Lingua Franca: GRPs, CPP

Nielsen Audience Guarantees

Video as a 'daypart' on the TV flowchart

Cross Platform Optimization

Why? Audience Fragmentation



15 Years Ago

5 *TV Channels*

Why? Audience Fragmentation



Today

20+ digital FTA channels



120+ pay TV channels



IP TV channels

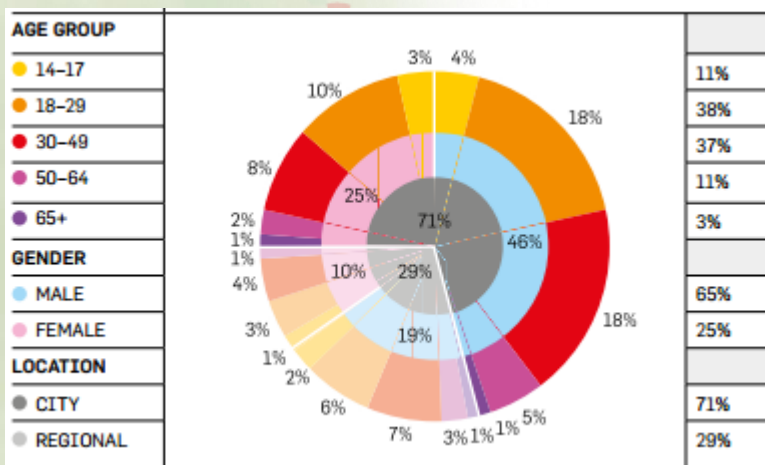


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Why? Audience Fragmentation



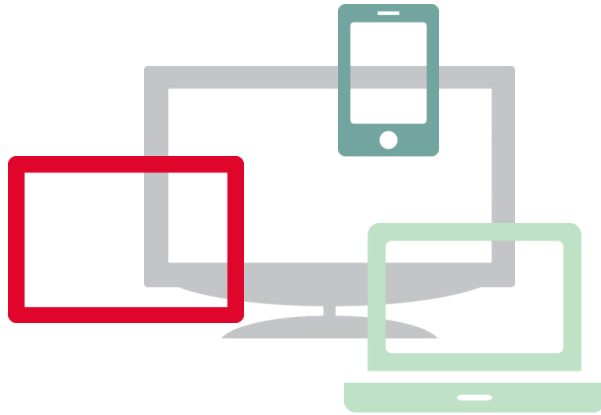
Original channels now cover
60.8% of TV share
not including online viewing
 (2012 OzTam 6pm-midnight)



In 2010 20% of people now stream or download online video, twice the level for 2008.

Source: Screen Australia using Roy Morgan single source data

Why? Audience Fragmentation



In the US: within 3 years 15% of TV viewing will be consumed online

In Australia:

- Online video advertising market grew 58% - 12 months to June 2012
- Market to grow at a CAGR of 39% from 2012 to 2017

F R O S T & S U L L I V A N

Why? Nielsen OCR



Nielsen OCR

Overnight audience ratings by demo, consistent with TV

How? Using TV metrics across online

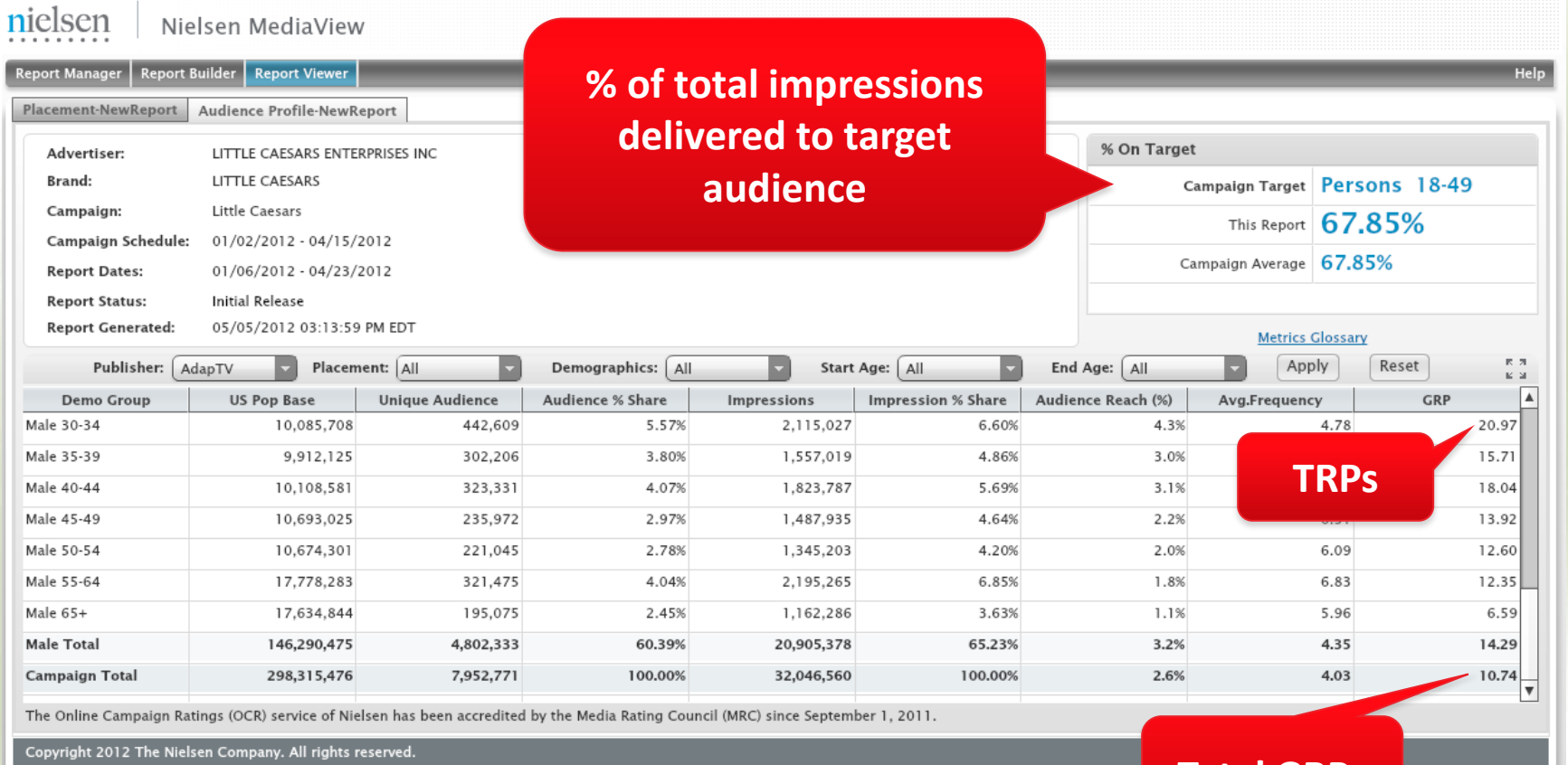


Scalable, census-like panel. 45% to 50% direct match rate

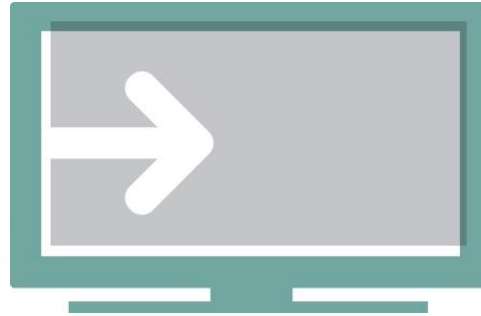


GRPs, Reach/Frequency, Cost per Point, Effective CPM

How? Using TV metrics across online



Total GRPs



THE IMPACT

The Impact

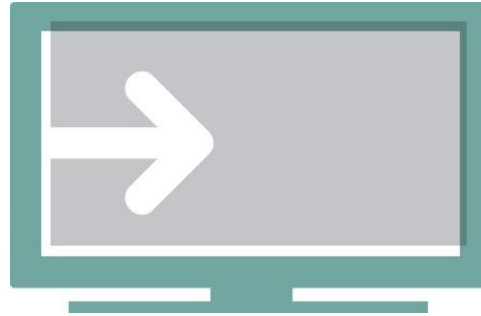
Why is OCR going
to be so
disruptive

The Impact

- Online video will be packaged bought and sold like TV. Inventory volumes and quality will come under immense pressure. TV like audience guarantees will be massively disruptive to both buyers and sellers of online video
- Publishers 'on hook' for 'waste'. OCR in target will cause under deliveries and will cause publisher make goods.
 - Digital (data) promise of 1-1 is overstated
 - Just like TV, more niche audiences will be more expensive
- Digital CPMs more expensive – but still cheaper than TV - especially niche targets
 - EDUCATION needed for market to adapt

The Impact – A US Example

\$8 CPM with a 50% in-
target for niche: 7.8% for
broad



Moving Forward

XCR: Cross Platform Optimization

(Release date in AU TBC)

OCR

Nielsen TV Ratings

Partnership with Facebook

25,000 TV people meter panel Basis of TV ratings

ONLINE

XCR

TV

% In-target delivery (TV vs. Video)

TRPs & CPM (TV vs. Video)

Duplication by channel (TV vs. Video)

R/F (Total, Only, Only, Both)



XCR Reporting Example

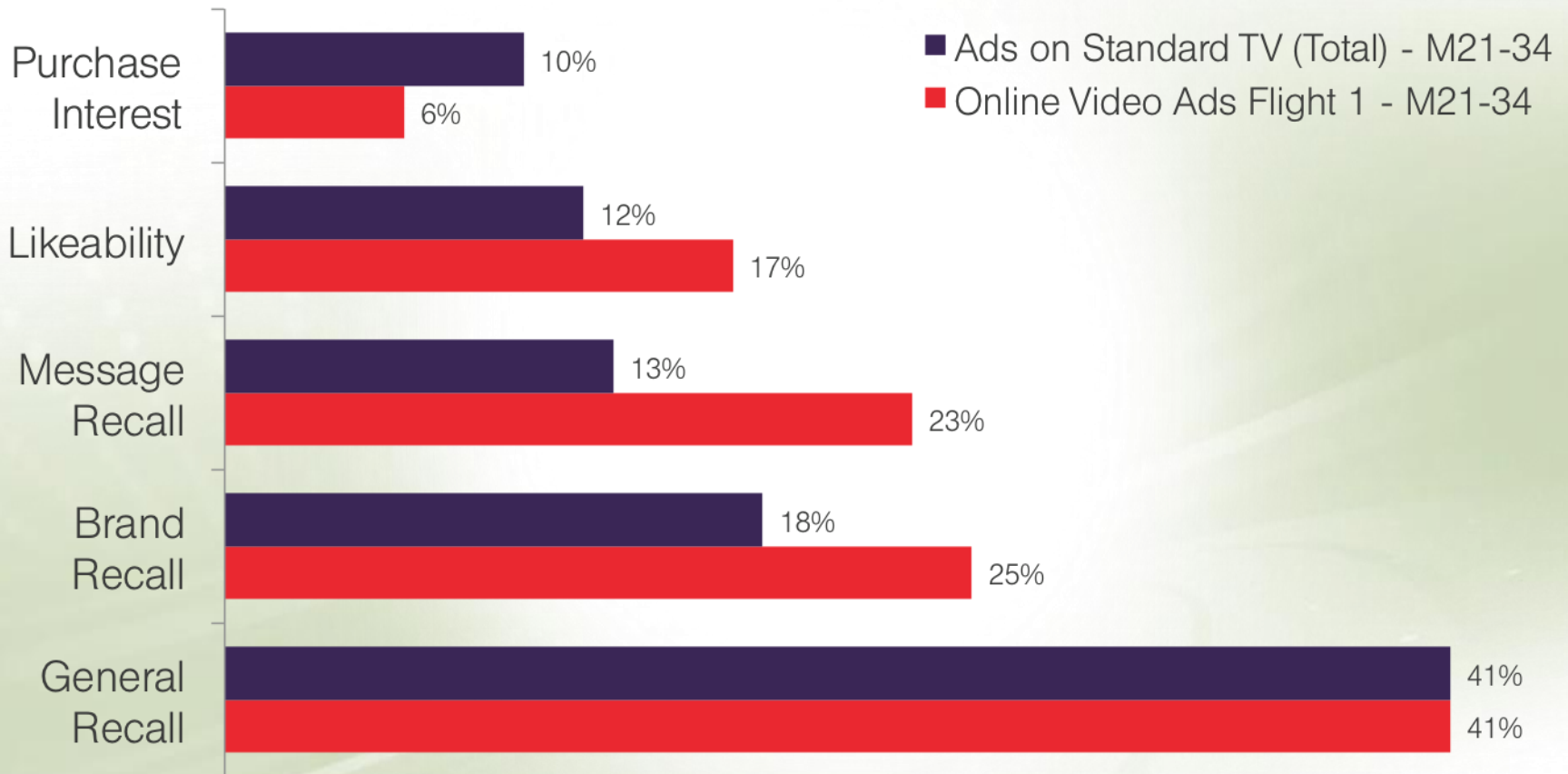
Cross-Platform Audience Profile Report Report Generated:

Advertiser	% On Target		
Brand	Cross-Platform	Television	Online
Parent Campaign	Campaign Target	P18-34	P18-34
TV Campaign			
OCR Campaign	This report	21.3%	17.5%
Campaign Schedule			
Report Dates	Campaign total	21.3%	17.5%
Ratings stream			35.2%

Demo Group	Unique audience				Reach (Total Pop Base)	
	TV-only	TV+OL	OL-only	Total	TV-only	TV+OL
Female 18-20	1,677,093	392,108	1,034,361	3,103,562	26.41%	6.17%
Female 21-24	2,175,136	507,953	1,468,140	4,151,229	26.82%	6.26%
Female 25-29	2,904,266	1,080,554	1,260,167	5,244,987	28.81%	10.72%
Female 30-34	3,457,555	941,863	1,005,776	5,405,194	34.78%	9.48%
Female 35-39	3,151,680	715,028	1,138,025	5,004,733	31.02%	7.04%
Female 40-44	4,253,226	1,005,810	1,038,813	6,297,849	40.16%	9.50%
Female 45-49	4,558,979	962,954	977,000	6,498,933	40.60%	8.57%
Female 50-54	4,828,228	936,393	856,182	6,620,803	43.19%	8.38%
Female Total	60,481,411	10,148,052	12,003,414	82,632,877	39.96%	6.70%
Male 18-20	820,231	175,941	951,022	1,947,194	12.72%	2.73%
Male 21-24	1,383,028	373,657	1,544,248	3,300,933	16.74%	4.52%
Male 25-29	2,014,719	320,852	1,690,679	4,026,250	19.73%	3.14%
Male 30-34	3,191,976	495,235	1,152,793	4,840,004	31.95%	4.96%
Male 35-39	3,016,734	530,457	746,891	4,294,082	29.96%	5.27%
Male 40-44	3,040,614	480,975	1,088,010	4,609,599	29.38%	4.65%
Male 45-49	4,580,996	539,322	770,680	5,890,998	42.26%	4.98%
Male 50-54	4,016,908	384,470	1,003,731	5,405,109	37.72%	3.61%
Male Total	49,124,375	5,801,390	12,920,053	67,845,818	33.78%	3.99%
Campaign Total	109,605,787	15,949,441	24,923,468	150,478,696	36.93%	5.37%

Reach (Total Pop Base)			
TV-only	TV+OL	OL-only	Total
26.41%	6.17%	16.29%	48.87%
26.82%	6.26%	18.10%	51.19%
28.81%	10.72%	12.50%	52.03%
34.78%	9.48%	10.12%	54.38%
31.02%	7.04%	11.20%	49.26%
40.16%	9.50%	9.81%	59.47%
40.60%	8.57%	8.70%	57.87%
43.19%	8.38%	7.66%	59.22%
39.96%	6.70%	7.93%	54.59%
12.72%	2.73%	14.74%	30.19%
16.74%	4.52%	18.70%	39.96%
19.73%	3.14%	16.56%	39.43%
31.95%	4.96%	11.54%	48.45%
29.96%	5.27%	7.42%	42.64%
29.38%	4.65%	10.51%	44.54%
42.26%	4.98%	7.11%	54.35%
37.72%	3.61%	9.42%	50.75%
33.78%	3.99%	8.88%	46.65%
36.93%	5.37%	8.40%	50.70%

Measuring brand 'impact' of TV vs. Video



CLIENT X (M21-34 BEVERAGE) – TV VS. ONLINE VIDEO

Nielsen TV Audience Targeting



Nielsen TV people meter panel
– basis for TV Ratings



'Fused' to 7,000 Nielsen
Online panelists



'Lookaliked' for scale & offered
for online targeting



Exposed to TV
schedule



Under-exposed
to TV schedule



THANK YOU

Philip Duffield – APAC Managing Director

