



AUDIENCE METRICS GUIDELINES

By
SEQUENT PARTNERS
JIM SPAETH, STEVE SINGER, MARYANA HORDEYCHUK

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For general information about the Out-of-home Video Advertising Bureau products or services, please contact:

Out-of-home Video Advertising Bureau, Inc. (OVAB®)

535 Madison Avenue 20th floor.

New York, NY 10022

646-205-8525

www.ovab.org

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I. INTRODUCTION

Television moved beyond exclusive in-home viewing years ago, but technological advances, restive consumers, and creative marketers have multiplied out-of-home viewing opportunities dramatically in recent years. These out-of-home video networks are not included in the same audience measurement systems that provide the currency metrics for the traditional national television networks or local television stations. Many have commissioned high quality custom audience studies, but even the best custom research lacks the direct comparability among vehicles enjoyed by other media, each with a single syndicated audience measurement system providing their currency metrics.

Given the great diversity of venues at which these video networks can be found, it is difficult to envisage a single syndicated audience measurement system covering them all. But it is not difficult to conceive of a comparable set of audience metrics produced by a variety of quality methods, each well suited to a specific venue and its network. If each audience measurement study strives to produce the same set of metrics with an acceptable level of research quality and the data reporting is harmonized, the results can be safely compared for any number of typical media planning and buying analyses.

These Guidelines seek to provide the basis for such a set of comparable metrics and to begin the process of defining the acceptable research methods for their measurement. The desired outcome is a series of independent audience measurement studies that can be taken together to serve as a currency for out-of-home video networks. The benefits of such an outcome, to both buyers and sellers of these media, are obvious.

These Guidelines have been developed recognizing that many of the out-of-home video networks are in a nascent business stage

without the level of revenue necessary to support the kind of audience measurement they might ultimately desire. Consequently, the Guidelines seek to strike a balance between measurement that is reasonably suitable for media planning and buying and measurement that is reasonably suited to an early stage business. In particular, we must acknowledge that these Guidelines endeavor to harmonize metrics, but take only the most rudimentary steps to ensure the harmonization of measurement methods. Such differences among studies can impact the audience levels obtained. At this stage these Guidelines recommend transparency, in particular, use of the appended disclosure form, as an interim solution. But it would be wrong to live with this compromise for too long. These Guidelines must be viewed as a “living document”; one that will be revised as the out-of-home video network business develops. As the funds become available for higher quality measurement methods, the networks owe it to the buyers to reward their patience with better measurement.

These Guidelines have been developed as an initiative of the Out-of-home Video Advertising Bureau. Great care has been taken to represent the interests of both sellers and buyers of out-of-home video networks. The interests of media sellers have been represented by the OVAB Research and Standards Committee; see Appendix D. The interests of media buyers have been represented by the OVAB Agency Advisory Board; see Appendix E. These Guidelines have also been rooted in feasible research practices with the input of thirteen research providers listed in Section VII and sixteen OVAB members, also listed in Section VII, who provided examples of their most recent research studies.

II. PRINCIPLES

The principles of good audience measurement are the same for all media.

1. MEET THE NEEDS OF THE ENTIRE MARKETPLACE:

Buyers and sellers of the medium, large and small, every party that plays a role in the media marketplace must be served equally and impartially, otherwise the role of audience measurement as *currency* cannot be fulfilled.

2. EFFECTIVE INDUSTRY CONSULTATION:

The first principle can only be met if all elements of the media marketplace are consulted and their input, both technical and business, is considered objectively in the ongoing maintenance and further development of the audience measurement system.

3. TRANSPARENCY:

Impartiality and research quality can only be ensured with transparency. The audience measurement method must be open to industry scrutiny.

4. BEST RESEARCH PRACTICES:

We might modify this principle, temporarily, to say *best affordable research practices*. The audience metrics produced will not have the credibility required of a currency unless best practices are employed.

5. QUALITY CONTROL:

Best practices are worthless unless implemented painstakingly and reliably. Quality control is essential in an endeavor for which *the devil is in the details*. Research quality should be open to industry audit.

III. EXECUTIVE SUMMARY

A more detailed discussion can be found in Section V, but this section provides a concise summary of the recommended audience measurement metrics for out-of-home video networks.

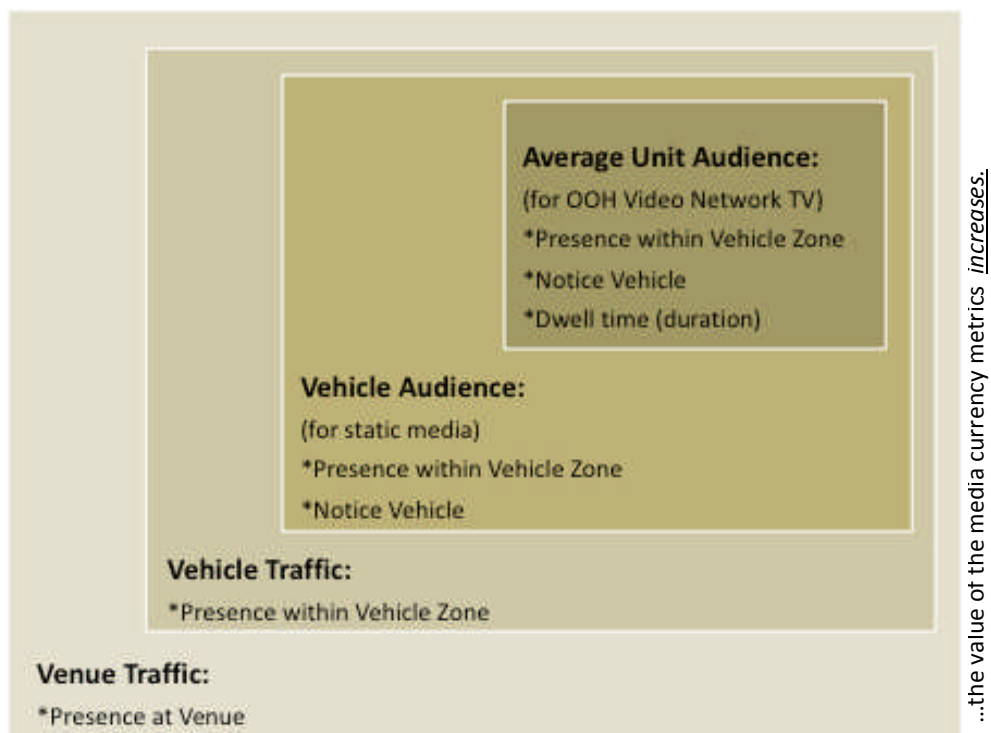
AVERAGE UNIT AUDIENCE should be the currency metric for out-of-home video networks. Average Unit Audience is defined as *the number and type of people exposed to the media vehicle with an opportunity to see a unit of time equal to the typical advertising unit.*

Audiences are expressed differently for dynamic media such as television versus static media such as posters. The latter count exposures, the former count exposures per time unit such as average minutes for national television or quarter-hours for local television and radio. These Guidelines provide an audience metric, *Vehicle Audience*, suitable for comparison with static media. But to enable comparability with other video media, out-of-home video networks require a dynamic audience metric. Due to the variations in commercial unit lengths and content environments, a single time unit will not be appropriate for all networks.

Audiences should be expressed as the average audience for a unit of time equal to a typical advertising unit – *Average Unit Audience*. This is not a measure of advertising audience which would be a measure of the viewers of a specific ad; it is a measure of the viewers of the vehicle for a unit of time equal to the typical ad unit.

As with other media, this metric is most accurately called an Opportunity To See (OTS). It is based on three qualifying characteristics – Presence, Notice, and Dwell Time. A person must be present in a location from which the vehicle is both visible and, where appropriate, audible. Out-of-home networks are unlike traditional television in that there is not always an intention to

view as a person encounters the screen. To account for this difference, an additional qualifying characteristic is required – evidence that the screen has at least been noticed. The dwell time, or time spent in this location, must be measured to enable the calculation of exposures per time unit. Together, Presence, Notice and Dwell time qualify a person as having an Opportunity To See.



As audience metrics are refined to more closely approach exposure to advertising...

Figure 1: OOH Video Audience Hierarchy

For some networks the measure of Average Unit Audience recommended in these guidelines will also provide a good measure of **AVERAGE AD AUDIENCE**. As such, when put into practice it will bring out-of-home video networks' audience reporting to the same level as in-home television's current C3 standard and traditional outdoor's upcoming Eyes On impressions.

For planning purposes, **REACH AND FREQUENCY** measurement, or measurement of the parameters for their estimation by industry accepted models, are also required. Direct measurement may be possible with a panel. In other cases measurement of the frequency of visiting the venue in a period of time such as a day, a week and a four-week period may be sufficient for model estimation.

Both audience and reach and frequency must be broken out by relevant audience characteristics. At minimum these should be industry standard age and gender demographics, as detailed in Appendix B. However, target audiences should also be defined in other ways that more fully express the value a particular network delivers to advertisers.

These Guidelines do not address the issue of compliance; they presume that the advertising appears as scheduled in all locations intended. A process for assuring compliance is essential, but independent of the audience measurement process and therefore beyond the scope of this document.

IV. THE GUIDELINES IN CONTEXT: THE MEASUREMENT FRAMEWORK

These Guidelines are set in a measurement context which considers both the need to represent the value provided by the media vehicle and the current, and anticipated, audience, and metrics of other media. Media and advertising value can be represented at many levels. As we progress along this measurement spectrum the measurement task becomes more difficult, sometimes to the point of infeasibility given current technique. At the same time the level of relevance to the advertiser increases and with it the ability of the metric to fully represent the value of the media vehicle. The eight stage model, below, is adapted from the ARF Media Model, revised in 2003.

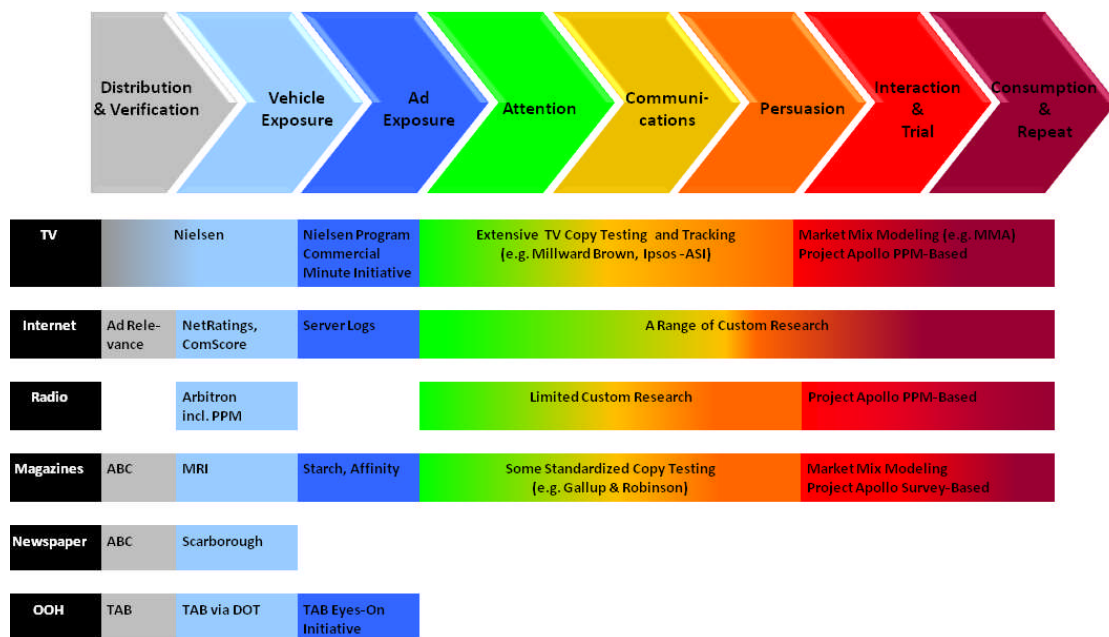


Figure 2: Illustrative Research Services by Medium

The simplest to measure, but least relevant gauge of value is distribution and verification (e.g. audited circulation in print). This is venue traffic for out-of-home video networks. At the other end of the spectrum we have purchase and consumption behavior, which are affected by product, packaging, price, promotion, and distribution among other factors. Advertising and media factors generally offer only a minority of the forces at play here. The media vehicle is fully responsible for delivering its audience and partially responsible for delivering its audience to the commercial. The ad message itself bears at least equal responsibility in its role to hold the audience delivered. The influence of the media vehicle diminishes sharply as we proceed to attention, communication and persuasion. There are media effects due to the state of mind in which the viewer is delivered to the advertising by the media vehicle for which the vehicle can take credit. These latter stages are the province of advertising research, not media research. But they can be useful in gauging the contribution of the media vehicle to sales effectiveness, and hence the value of the medium.

Focusing on audience metrics, in Figure 3 on page 9, we see most media are currently measured at the vehicle exposure level, as recommended for out-of-home video networks. The exceptions are outdoor, measured at the distribution (traffic) level, and Internet, measured at the advertising exposure level. But this is changing.

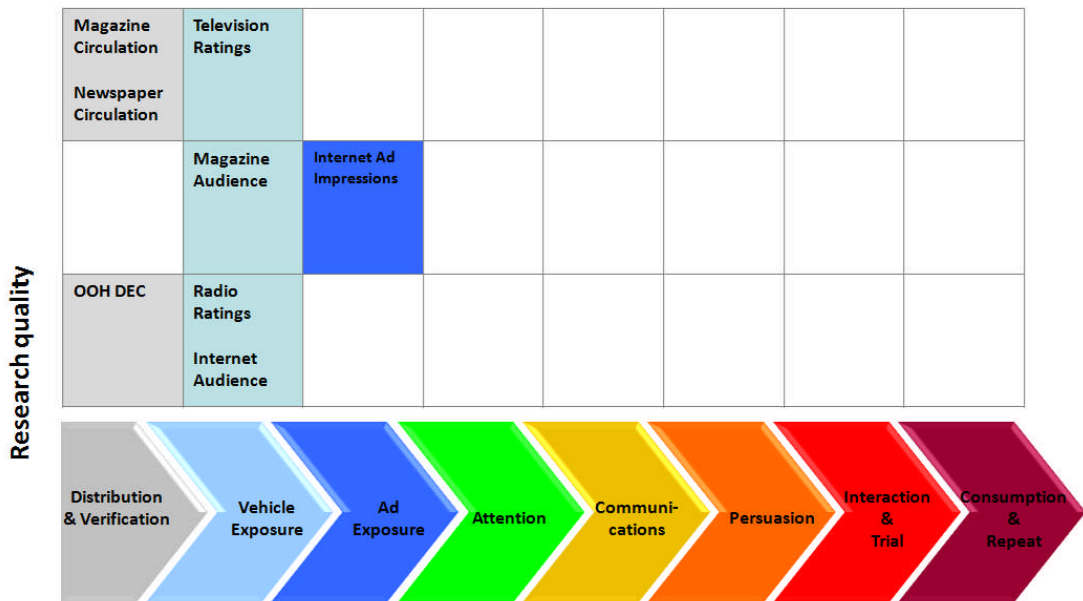


Figure 3: Comparison to Other Major Media

As one focuses in on the evolving state of audience measurement, in Figure 4, it can be seen that there is a move toward advertising exposure measurement. Outdoor is moving from vehicle measurement toward a measure of advertising exposure with TAB's *eyes-on* initiative. Television is also moving to advertising exposure with Nielsen's C3 metric. Neither measures the exposure to specific advertising, but both provide a strong measure of the likelihood to see the advertising. In both cases this is due to marketplace questioning about the rate at which vehicle audiences are actually exposed to the advertising.

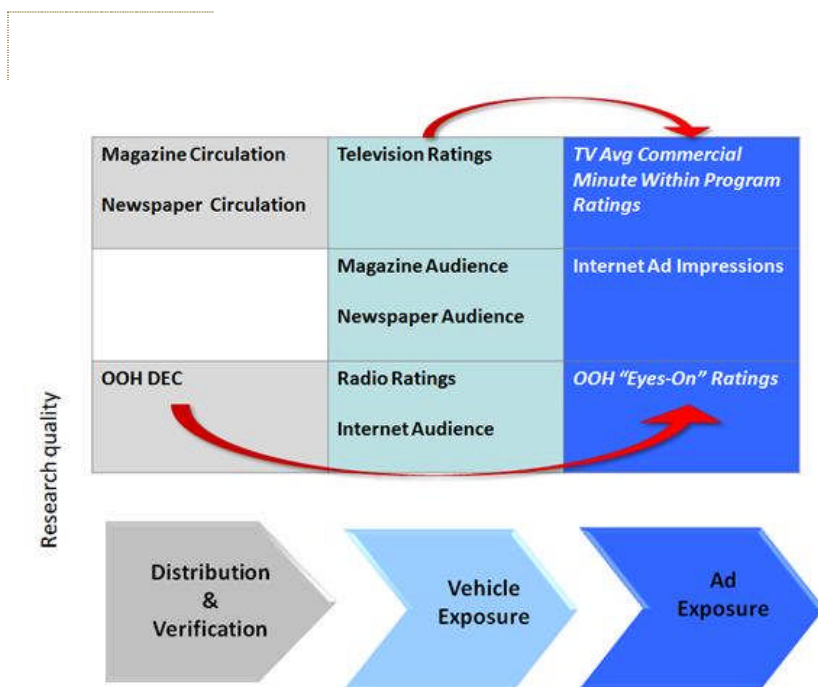


Figure 4: Example of the Evolving Measurement Context

The lessons for out-of-home video networks are clear. Solid vehicle audience metrics are necessary to be comparable to the current state of measurement. Metrics that provide a measure of confidence in the likelihood of exposure to advertising are becoming necessary to be fully competitive, and the networks should prepare for the need to measure exposure to specific advertising in the near future. In addition, measures of media engagement and advertising effectiveness are important for establishing the relative efficacy of out-of-home video networks among the other media.

V. DETAILED GUIDELINES

AUDIENCE:

Audience is the most common currency metric for media in the US, so it provides comparability among media. While domestically vehicle audience metrics have dominated, it must be noted that outside the US, advertising audience is the most common currency for television and with the recent move to C3, the US television currency is moving in that direction.

Audiences are added across announcements to provide Gross Impressions which can then be divided by population to yield GRPs. Cost can be divided by Audience (expressed in thousands) to provide cost per thousand (CPM). Audience is the source of most of the key metrics of media planning and buying.

Audiences are expressed differently for dynamic media such as television versus static media such as posters. The latter count exposures, the former count exposures per time unit such as average minutes for national television or quarter-hours for local television and radio. Out-of-home video networks require a dynamic measure to enable comparability to other video media. Due to the variations in commercial unit lengths and content environments, a single time unit will not be appropriate for all networks. Audiences should be expressed as the average audience for a unit of time equal to a typical advertising unit. This is not a measure of advertising audience, which would be a measure of the viewers of a specific ad; it is a measure of the viewers of the vehicle for a unit of time equal to the typical advertising unit.

As with other media, this metric is most accurately called an Opportunity To See (OTS). It is based on three qualifying characteristics – Presence, Notice, and Dwell time. A person must

be present in a location from which the vehicle is both visible and, where appropriate, audible. Out-of-home networks are unlike traditional television in that there is not always an intention to view as a person encounters the screen. To account for this difference, an additional qualifying characteristic is required – evidence that the screen has at least been noticed. The Dwell Time, or time spent in this location, must be measured to enable the calculation of persons per time unit. Together, Presence, Notice and Dwell Time qualify a person as having an OTS.

In practice, measurement of all three characteristics may be challenging. But it is through this framework that the various methods of realizing this metric will be evaluated. The more stringent the metric, the greater the relevance to the advertiser and credibility for the medium, as depicted below.

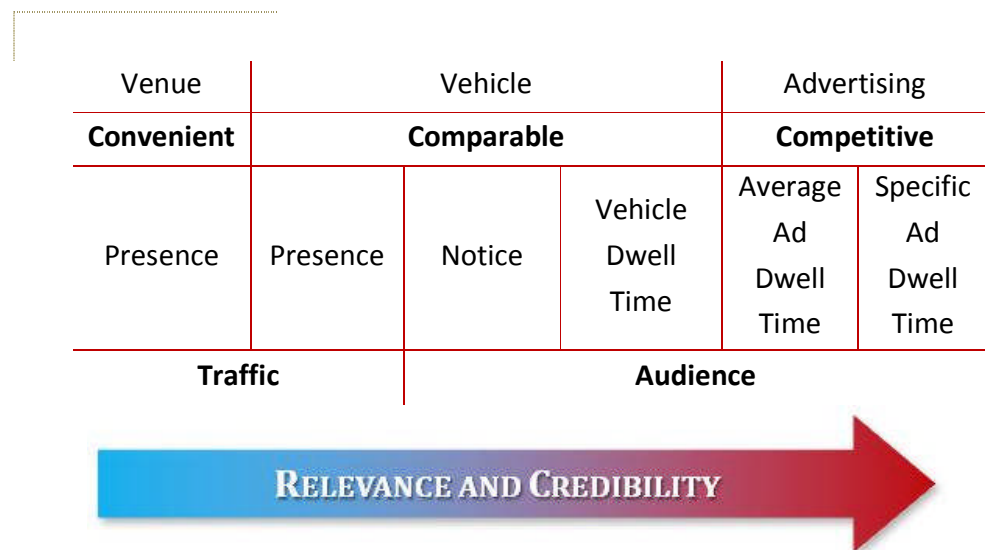


Figure 5: Definitions of Opportunity To See

VEHICLE TRAFFIC: PRESENCE

The most basic qualification for Audience exposure is to be in the Presence of the vehicle, in the Vehicle Zone. *For a vehicle with sound, this means being in a location from which it is audible. In all cases it requires being in a location from which the vehicle is visible.* This is the *Vehicle Zone*. The level of precision with which *Vehicle Zones* are defined may vary, but the credibility of the metric will depend upon this level of precision and transparency.

VEHICLE TRAFFIC is the number of people present in the *Vehicle Zone* and may be counted directly, either manually or electronically, and then projected to the total population of the network's coverage area. Or it may be estimated as a proportion of the venue traffic and projected based on third-party venue traffic estimates. The latter approach offers the advantage of estimating the ebb and flow of audience over time periods, days and seasons, and if there is reason to believe that the relationship between *Venue Traffic* and *Vehicle Traffic* is reliable over time. To the degree that this relationship varies, it should be sampled across these variations to produce a comprehensive average, or better, to provide estimates of the relationship at different times or settings.

Venue Traffic and *Vehicle Traffic* are not sufficient audience metrics. They are components of *Vehicle Audience* and their data sources and method of application to the calculation of *Vehicle Audience* should be transparent.

VEHICLE AUDIENCE: PRESENCE WITH NOTICE

Presence in a location from which the vehicle is visible and , where appropriate, audible for a sufficient Dwell Time is still not enough to qualify an OTS. Consumers approach traditional media with an intention to view, read or listen; the assumption that they are viewing, reading or listening when in the Presence of the vehicle is, therefore, reasonable; although this offers no

assurance of exposure to specific ads. Consumers sometimes approach out-of-home video by chance, with another mission in mind. The vehicle must be noticed before the assumption of OTS can be deemed reasonable. Notice is defined as *having looked at the vehicle during the time for which the person was present*. This provides for a measure of vehicle exposure, not ad exposure.

In practice, this could be measured in a variety of ways. Notice is difficult to observe without the aid of technology such as a head camera, eye-tracking, facial recognition, or retina detection. More commonly, notice is based on the respondent's claim during an interview following the event.

The proportion of *Vehicle Traffic* which *notices* the vehicle is the **VEHICLE AUDIENCE**. It is defined as the number of people who looked at the vehicle while in the *Vehicle Zone*. This would be a sufficient audience metric for static media such as posters, and is useful for comparing out-of-home video with still media despite the inherent *apples and oranges* nature of such comparisons.

AVERAGE UNIT AUDIENCE: PRESENCE WITH NOTICE FOR A PERIOD OF TIME EQUAL TO THE TYPICAL AD UNIT

Average Unit Audience should be the currency metric for out-of-home video networks. Average Unit Audience is defined as *the number and type of people exposed to the media vehicle with an opportunity to see a unit of time equal to the typical advertising unit*. Unit in this context always means the duration of the network's typical Ad Unit,

Presence with Notice is not enough to produce a dynamic metric such as the average minute or average quarter-hour employed by traditional television. Dwell Time in the Vehicle Zone must also be measured to provide a measure of Presence, with Notice, during a time interval equal to the length of the typical ad unit. *Vehicle Zone Dwell Time* is defined as *the number of seconds the viewer is in the Vehicle Zone with Notice*.

The *Vehicle Zone Dwell Time* is divided by the ad unit length to obtain the number of ad units exposed, which is then divided by the number of ad units in the ad rotation duration to obtain the average ad unit exposure. Or more simply, the *Vehicle Zone Dwell Time* is divided by the *Ad Rotation Duration*. Averaged across the sample, this provides the average ad unit exposure for the total population, or the population segment of interest. Where the rotation length, number of ads, or individual ad frequency in the commercial rotation varies, these calculations can be done on average, or to reflect each specific variation in these factors. The Dwell Time of multiple exposure occasions within the unit of measurement, e.g. a day, or daypart, for the same person can be summed to produce an average. The dynamics underlying that average could be expressed as a frequency distribution of exposures and a net reach.

These Guidelines do not address the measurement of compliance, how completely the advertising runs as scheduled. However, compliance rates, obtained through an independent process, can be applied to audience impressions as a discount factor where compliance is incomplete.

For many media, the level of exposure to the vehicle has been assumed to approximate the level of exposure to the advertising. Developments in technology and consumer control of their media experience have resulted in a weakening of this assumption. As a result we are seeing other media move to metrics, such as C3 for television and eyes-on for outdoor, to offer greater assurance of commercial exposure. These metrics fall far short of gauging actual exposure to specific ads, but focus the vehicle exposure measurement on the time when advertising is present for television, or discount vehicle audience to reflect the likelihood of commercial exposure for outdoor.

Consider the following illustration of two networks which are very similar, except that they have very different Vehicle Zone Dwell

Times, see Figure 6. In both cases we are estimating the total gross impressions for a schedule period. This might be a week, or multiple weeks and should reflect the network’s unit of sale. Each starts with a third-party measure of venue traffic, 2000 in this illustration, to which we then apply the three dimensions of audience: Presence, Notice and Dwell Time, captured through research in a sample of venues, either through manual or electronic counting methods.

	SCHEDULE PERIOD (THE NETWORK’S UNIT OF SALE)		
	Network A	Network B	Network C
VENUE TRAFFIC	2000	2000	2000
% PRESENT IN THE VEHICLE ZONE	50%	50%	50%
VEHICLE TRAFFIC	1000	1000	1000
% NOTICE (VEHICLE)	80%	80%	80%
VEHICLE AUDIENCE	800	800	800
VEHICLE ZONE DWELL TIME	60 seconds	240 seconds	120 seconds
AD ROTATION DURATION	120 seconds	120 seconds	120 seconds
AVERAGE UNIT GROSS IMPRESSIONS FOR THE SCHEDULE PERIOD	400	1600	800

Figure 6: Illustration of Average Ad Unit Impressions Calculations for Three Networks with Different Vehicle Zone Dwell Times.

The research provider has determined that the level of presence in the sampled vehicle exposure zones for both networks is equal to exactly 50% of the total sampled venue traffic at any point in time, yielding vehicle traffic of 1000. An intercept interview of a sub-sample of those present revealed that 80% of them had noticed the video screen, yielding a vehicle audience of 800. This was also the same for both networks. The research provider’s observers had clocked the average vehicle zone dwell time for network A to be 60 seconds; half the time required to be exposed to all of the commercials in the rotation. That means that half of the 800 Vehicle Audience was available to the average ad yielding Average Unit Gross Impressions of 400, during the schedule period. For the second network, vehicle zone dwell time is

considerably longer, 240 seconds, so that the average viewer is exposed to each ad twice. As a result the average unit Gross Impressions were 1600. In the case of the third network, C, vehicle zone dwell time is exactly equal to the time required to see all ads, yielding Average Unit Gross Impressions equal to Vehicle Audience, 800.

Known variations in the traffic to audience relationships should be measured, providing accurate audience estimates for each variant such as day of week or daypart.

These illustrations have been fairly simple, but they are the building blocks from which more complex scenarios can be assembled and calculated.

AVERAGE AD AUDIENCE

In keeping with most common industry practice, these Guidelines recommend a currency metric for out-of-home video networks which, strictly speaking, should be considered a vehicle audience metric. However, it is essential to acknowledge the recent movement in our industry toward advertising audience metrics. An Average Ad Audience can be calculated in much the same way as Average Unit Audience. In fact, for networks that run continuous rotations of ad content, with or without adjacent program content, the metrics are identical. When ads are interspersed with other content this same calculation still provides a good estimate of Average Ad Audience. But it requires evidence, or the assumption, that audience behavior is the same during ads as during other content. The strength of this assumption depends on a number of factors including the nature of the ads and the programming content and the exposure setting. If Vehicle Traffic (traffic in the Vehicle Zone), Notice and Vehicle Zone Dwell Time data are not collected specifically for ads versus program content, then the best estimate of Average Ad Audience remains the Average Unit Audience.

REACH AND FREQUENCY

Reach and Frequency is essential for media planning. Reach is defined as the *net number, or percent, of the target audience exposed to a schedule of announcements in the vehicle within a defined time frame, most typically one week, four weeks, or one day*. Frequency refers to the *frequency distribution of exposure levels among the population reached*. Often the term simply refers to the Average Frequency of exposure rather than the full distribution. In addition to Reach and Frequency of a schedule of announcements in a single vehicle the terms may refer to the Reach and Frequency of a multiple vehicle schedule. The term *cume* is often used for the total Reach of all possible announcements of a vehicle over a period of time, typically one day, one week or four weeks. The term *Uniques* is synonymous with *Reach* and is often used for online media.

Reach and Frequency is a result of the audiences of multiple vehicles. As such it is built up from the same three part standard: Presence, Notice and Dwell Time.

Reach and Frequency statistics are used in media planning to determine the best schedule, within and across media, to achieve a given communication goal with a given budget.

For some media, reach can be tabulated when data is collected continuously from a panel. For most media, a model is required and duplication statistics must be collected, along with audience data, to parameterize the model. For out-of-home video networks, Frequency of Exposure within the time frame, one week, four weeks, etc., must be collected. Most often this requires respondent recall of their behavior.

DEMOGRAPHIC BREAKOUTS

A standard set of OVAB demographic and geographic breaks have been developed to aid comparability among out-of-home video

networks and between out-of-home video networks and other media. See Appendix B. While all networks are encouraged to provide any breakouts that help represent the value provided by the vehicle, or the value provided to specific advertisers, audience metrics should also be provided by the OVAB standard breaks.

DATA REPORTING

The data should be reported to reflect the unit of sale. Unlike the familiar model of broadcast television in which individual ad units are transacted, out-of-home video networks are sold in schedules. The reports should include whatever aggregations of announcements are most relevant. In addition, we recommend the following data be reported to harmonize comparisons:

- Weekly Average Ad Unit Impressions: Average Weekly Impressions for a single ad running over the course of an entire week; equal to the Average Unit Audience, where Unit means duration of the network's typical Ad Unit, times the number of occasions the ad runs in the course of a week
- Weekly Average Ad Unit Reach: Net Reach for a single ad running over the course of a week

VENUE TRAFFIC

Venue traffic metrics are not acceptable as currency for out-of-home video networks. However, venue traffic may be used to estimate finer breakdowns of Vehicle Audience, such as for individual markets or venues.

DATA IMPARTIALITY

The data used to develop Vehicle Audience metrics must be impartial and come from a third party, objective, provider.

DATA QUALITY

The data used to develop Vehicle Audience metrics must be of adequate quality. Given the nascent state of the out-of-home video networks, specific methodological requirements are not being set at this time. Reliance will be placed on full disclosure of the method and field results by the research provider. The OVAB Disclosure Form, Appendix A, should be used by research providers for this purpose.

Some aspects of research quality are fundamental and not a matter of detailed specifications. In all instances these Guidelines recommend the following:

- The sampling frame should reflect the entire universe to be measured.
- The sampling locations, measurement times, vehicle exposure zones and individuals should be selected randomly from the sampling frame. Response rates must be reported.
- Presence, Notice and Dwell Time should be measured and some indication of the accuracy of those measures provided.
- If venue traffic is employed, some attestation to its accuracy should be provided.

Audience measurement services, for most major media, are subject to the scrutiny of the Media Ratings Council; audience measurement for out-of-home video networks should be subjected to this type of scrutiny in due course. For the present, research providers must provide descriptive detail of their method to enable users to assess both general data quality as well as how well the issues of Presence, Dwell Time and Notice are addressed.

ENGAGEMENT AND ADVERTISING EFFECTIVENESS

Additional research, beyond the scope of currency metrics, is also recommended. Engagement metrics such as attention and program environment contributions to persuasion via message priming, or tonal congruence can document the value of out-of-home video networks. Specific ad recall (aided and unaided), likeability, persuasion, communication, brand attribute lift and other widely accepted ad evaluation metrics can be very useful in comparing the value of out-of-home video networks to other media. Finally, behavioral outcomes such as traffic, inquiries, and sales provide a clear indication of the value these networks can provide.

VI. BEYOND CURRENCY

Many of the studies used to collect audience measurement metrics also collect advertising performance metrics. While these Guidelines only directly address audience metrics, these efforts are laudable. Even when audience exposures are counted in the best possible way, the metrics obtained are silent on the value of the exposures they count. The relative value of each network's impressions can be gauged by how well the advertising placed on these networks performs. Metrics used for this purpose must be accepted by advertisers. Acceptable metrics include:

Recall:

- Brand (unaided)
- Brand (aided)
- Ad (unaided)
- Ad (aided)
- Number of ads/brands recalled out of total

Branding:

- Brand favorability
- Brand loyalty
- Brand attribute lift

Persuasion:

- Purchase intent
- Brand buy next
- Consideration set

Behavior:

- Usage lift
 - Traffic lift
 - Sales lift
 - Number of website visits
 - Tell a friend
 - Net Promoter score
-

While not measures of ad performance, attitudes toward the advertising can often help diagnose ad performance and especially help assess the contribution of the medium. Typical attitude metrics include:

Awareness:

- Of vehicle
- Of any advertising
- Interaction with advertising

Interest:

- Attention
- Receptivity
- Relevance
- Entertaining
- Uniqueness

Appropriateness of vehicle:

- Appropriateness to the venue
 - Liking
 - Drives venue preference
-

These types of metrics are often collected via exit intercept surveys in test and control locations, or post-exposure telephone or online interviews with test and control groups. While beyond the scope of these Guidelines, the out-of-home video industry would benefit from greater consistency in the definition and measurement of these metrics.

VII. THE PROCESS

The OVAB Metrics Guidelines initiative was an inclusive, open and objective process. Three constituencies have been involved: research providers, media sellers and media buyers. The research providers consulted were those who have provided audience measurement for OVAB members in the recent past and those who have exhibited audience measurement expertise in the US or globally. They have been consulted to ensure that these Guidelines are grounded in current best practice. The media seller constituency was represented by OVAB's Research and Standards Committee. The out-of-home networks represented on this group attended to the issues of interest and concern to media sellers including how well the recommended metrics reflect the value offered by their networks, on one hand, and how feasible and affordable the recommended metrics might be for their early-stage companies, on the other. The media buyer constituency was represented by both the OVAB Agency Advisory Board and, ultimately by the AAAA Media Research Committee. We looked to these groups to ensure that the recommended metrics are credible and actionable. The metrics must be of sufficient quality that there is no need for agencies to discount them for doubts about the measurement. The metrics must be of sufficient relevance to be integrated directly into agency planning and buying systems. These Guidelines are the product of balancing those interests and constraints.

The first step of the Initiative was to reach out to a broad group of research companies that may have the interest, capability and will to tackle this challenge with OVAB and its members. Starting January 15, 2008, Sequent Partners distributed Requests For Information (RFI) to 19 research and technology providers:

17 Full Service Research Providers

- | | |
|---|--------------------------|
| 1. Arbitron | 10. The Nielsen Company |
| 2. Carroll Media Services, Inc. | 11. OTX |
| 3. Certified Marketing
Research Services | 12. Peoplecount |
| 4. Edison Media Research | 13. Project Apollo |
| 5. IPSOS, North America | 14. Scarborough Research |
| 6. KANTAR Media Research | 15. Simmons |
| 7. Knowledge Networks | 16. TNS Media Research |
| 8. Millward-Brown | 17. VideoMining |
| 9. MRI | |

2 Technology Providers

1. ShopperTrak
2. TruMedia

Note: the companies are listed in alphabetical order.

The RFI offered an introduction to the initiative and then posed eight questions to the research providers:

1. What work have they done for out-of-home: for out-of-home video, OOH digital signage, or other relevant OOH media? Do they have in-home video experience that might be transferable?
2. If they have done work for OOH video, what metrics do they offer? What measurement methods do they typically recommend? What proportion of these studies is periodic or ongoing as opposed to one time only? Do they have any unique expertise, capabilities, or technologies? Would they be interested in partnering with another company offering complementary capabilities such as technology?
3. Where OOH video media measurement fits in their firm's plans and corporate priorities?
4. Who are the experts in their company and outside of their company?
5. How would they recommend we approach the challenge of providing comparable measurement among so many disparate media while employing the best method for each?
6. What role do they think is appropriate for government, industry or other public data in measuring public place media?
7. What qualities and capabilities do they think are important in selecting a research company or combination of companies, to measure an out-of-home video medium?
8. What medium in this country, or in the world, do they think is particularly well served by its measurement service and why?

13 full-service research and technology companies provided written responses:

- | | |
|--|------------------------|
| 1. Arbitron/Scarborough* | 7. The Nielsen Company |
| 2. Carroll Media | 8. Peoplecount |
| 3. Certified Marketing Research Services | 9. Project Apollo |
| 4. Edison Media Research | 10. ShopperTrak |
| 5. Knowledge Networks | 11. TruMedia |
| 6. MRI | 12. VideoMining |

**Arbitron/Scarborough delivered a joint response.*

During the month of March, 2008, RFI respondents were re-contacted for further information.

Also collected were recent audience research reports from most of the OVAB member networks:

15 OVAB members provided audience research reports:

- | | |
|----------------------------------|--|
| 1. AdSpace Mall Networks | 9. ProLink |
| 2. BroadSign | 10. Screenvision |
| 3. Captivate | 11. SeeSaw Networks |
| 4. Channel M | 12. Simon Brand Ventures |
| 5. Healthcare News Network | 13. Target Channel Red |
| 6. IdeaCast | 14. The Wall Street Journal Office Network |
| 7. NTN Buzztime | 15. Transit TV Network |
| 8. Premier Retail Networks (PRN) | |

After reviewing the information provided by the research companies and the OVAB member audience research reports we were able to document the current measurement landscape. This was reviewed with the OVAB Research and Standards Committee, (RSC), representing the member networks, and the OVAB Agency Advisory Board (AAB) as well as the OVAB Board of Directors.

SEQUENT PARTNERS' PERSPECTIVE ON THIS PROCESS

Based on this dialogue with both media sellers and buyers, we strove to define common ground in which the value of the media could be fairly represented without the demands of economically infeasible research methods.

These Guidelines represent the first step on a journey from convenient metrics to comparable metrics and then to

competitive metrics. In the past, convenience in the form of readily available data and infrequent, affordable research was a primary consideration for many of these new businesses. It is conceivable that convenience may remain the key consideration for those networks still in a nascent stage. But the majority of OVAB member networks are ready to move, or have already moved, to comparable metrics; metrics that are both comparable among out-of-home video networks and between out-of-home video networks and other media. With these Guidelines we hope to facilitate that move for as many OVAB members as possible. We look ahead to competitive metrics representing both higher value metrics and higher quality measurement methods. The OVAB networks offer unique opportunities for advertising exposure, audience engagement and action. Attempting to represent these in their currency, today, would be overreaching. But not reflecting it in their research leaves a potential competitive advantage off the table. We expect that at some point these types of metrics will move from ad hoc research to the media currency of OVAB's member networks. But this can't happen until these added values are broadly appreciated in the media marketplace.

VIII. STATE OF THE INDUSTRY

This process, in addition to informing the development of these Guidelines, offers a perspective on the state of the industry – the measurement capabilities available to out-of-home video networks. While not exhaustive, the summary in this section offers a snapshot of out-of-home video measurement as it was found through this process. It does not reflect out-of-home video measurement as recommended by these Guidelines.

Custom studies are often combined with third-party counts and/or syndicated audience measurement services to provide the range of metrics outlined in Figures 7-10, below.

VISIT/EXPOSURE:

(Gross number of times)

	Venue	Media Vehicle	Ad Unit
DEFINED	<p><u>Venue Traffic:</u> Number of visitors, in the venue, for a period of time</p>	<p><u>Average Unit Audience:</u> Number of visitors, of specified characteristics, in the Vehicle Zone, who noticed the vehicle, during a unit of time equal to the typical ad unit</p>	<p><u>Ad Audience:</u> Number of visitors, of specified characteristics, in the vehicle visibility zone who noticed the ad</p>
MEASUREMENT METHODS	<p><u>Venue Traffic:</u> Third party data</p> <ul style="list-style-type: none"> ▪ Transaction data ▪ Industry or government data <p>Manual counts (Passive observation)</p> <p>Respondent recall</p>	<p><u>Average Unit Audience:</u> Apply factor to venue traffic based on Ad Awareness</p> <p>Meters or other passive counting technology</p> <p>Manual counts (Passive observation)</p> <p>Respondent recall</p>	<p><u>Ad Audience:</u> Apply factor based on Ad Awareness</p> <p>Manual counts (Intercept interviews)</p> <p>Meters or other passive counting technology</p> <p>Respondent recall</p>
CONTEXT	<p><u>Venue Traffic:</u> Necessary but not sufficiently qualified to count as Vehicle Audience, the definition of currency for most media. Used in some media to provide more detail than the available audience metrics. For example, circulation for magazines and newspapers. Traditional OOH has used automotive traffic counts as currency, but is now in transition.</p>	<p><u>Average Unit Audience:</u> This is the currency metric for most media. For example: television ratings from Nielsen, or radio ratings from Arbitron. The Internet audience data comes from Nielsen NetRatings and ComScore, but does not serve as currency for this medium.</p>	<p><u>Ad Audience:</u> This is the currency metric for Internet media, as measured by their own server logs. Traditional OOH, given the current TAB initiative, is moving in this direction. Television is also moving toward commercial exposure. <i>If Vehicle Audience is the current currency standard, it would be wise to prepare for the evolution of currency metrics to Ad Audience.</i></p>

Figure 7: Media Metric: Visit/Exposure

DWELL TIME:

(How long?)

	Venue	Media Vehicle	Ad Unit
DEFINED	<u>Venue Visit Time:</u> <i>Time spent in the venue during the total visit time</i>	<u>Vehicle Zone Dwell Time:</u> <i>The number of seconds the viewer is in the Vehicle Zone with Notice</i>	<u>Ad Exposure Time:</u> <i>The number of seconds spent watching and listening to the ad</i>
MEASUREMENT METHODS	<u>Venue Visit Time:</u> Respondent recall	<u>Vehicle Zone Dwell Time:</u> Meters or other passive counting technology Manual counts (Passive observation)	<u>Ad Exposure Time:</u> Manual counts (Intercept interviews) Meters or other passive counting technology
CONTEXT	<u>Venue Visit Time:</u> NA	<u>Vehicle Zone Dwell Time:</u> Broadcast media use time-based metrics: average minute (television metered measurement) or average quarter-hour (television and radio diary measurement) Magazines use time-spent reading as a measure of quality, but not currency.	<u>Ad Exposure Time:</u> Television is moving to a measure of average commercial minute for the program. There is discussion of specific commercial pod or specific commercial ratings

Figure 8: Media Metric: Dwell Time

FREQUENCY:

(How often per person?)

	Venue	Media Vehicle	Ad Unit
DEFINED	<u>Venue Visit Frequency:</u> <i>Number of venue visits per visitor during the average day. Week, or 4-week period</i>	<u>Vehicle Exposure Frequency:</u> <i>Number of separate exposures of a Vehicle Audience member, during the venue visit, or during the average day, week, or 4-week period</i>	<u>Ad Exposure Frequency:</u> <i>Number of separate ad exposures, of an ad audience member, during the venue visit, or during the average day, week, or 4-week period</i>
MEASUREMENT METHODS	<u>Venue Visit Frequency:</u> Respondent recall	<u>Vehicle Exposure Frequency:</u> Respondent recall	<u>Ad Exposure Frequency:</u> Respondent recall
CONTEXT	<u>Venue Visit Frequency:</u> NA	<u>Vehicle Exposure Frequency:</u> Frequency of exposure is measured in broadcast media for weeks, or with panels, over longer time frames such as 4-week periods. It is projected with models for all media. Frequency of viewing or reading within a period is used as a measure of engagement.	<u>Ad Exposure Frequency:</u> NA

Figure 9: Media Metric: Frequency

REACH:

(How many net people?)

	Venue	Media Vehicle	Ad Unit
DEFINED	<u>Venue Reach:</u> <i>The net number of visitors to the venue during the average day. Week, or 4-week period</i>	<u>Vehicle Reach:</u> <i>The net number of visitors, of specified characteristics, in the vehicle zone, during the average day. Week, or 4-week period</i>	<u>Ad Exposure Reach:</u> <i>The net number of visitors, of specified characteristics, in the Vehicle Zone who watched and listened to the ad, during the average day, week, or 4-week period</i>
MEASUREMENT METHODS	<u>Venue Reach:</u> Respondent recall	<u>Vehicle Reach:</u> Respondent recall	<u>Ad Exposure Reach:</u> Respondent recall
CONTEXT	<u>Venue Reach:</u> NA	<u>Vehicle Reach:</u> Reach of a media vehicle in a week or 4-week is a primary measure of value which drives recency based media plans.	<u>Ad Exposure Reach:</u> NA

Figure 10: Media Metric: Reach

A broad range of measurement methods are in use to produce these media metrics. Currently, the industry is served predominantly by on-site manual observation and intercept personal interview conducted on a one-time-only or periodic basis. However, providers stand ready with a number of alternate approaches, designs and technologies, including:

- Panels (online, PPM, PDAs)
- Online surveys
- Telephone surveys
- Technologies including video based counting and facial recognition

The techniques listed in Measurement Methods sections of Figures 7-10 are used to provide the set of metrics outlined prior in the same table.

Combining the suggestions each research company offered regarding how to best provide comparable measurement across diverse venues, we begin to form best practices. These initial ideas include:

- Research must be: transparent, projectable, repeatable and reliable
- Probability sampling must be used
- Traffic measurement is imperative
- Consider three types of venues, each may require different approaches – stationary video in public places; stationary video in private places; and mobile video
- Overt on-site audits of manual counting operations are necessary to ensure their quality.

- Supplement audience measurement with studies of engagement and ad performance

Similarly a composite of all research provider responses provides a characteristics checklist for choosing a research company:

- Credibility and reputation
- Experience measuring traditional and emerging media, and especially out-of-home
- Understanding the complexities of measuring out-of-home venues
- Clear strategy for inclusion of electronic measurement
- Sampling expertise
- In-house field staff
- Responsiveness to clients
- Experience gaining MRC accreditation

In summary, the process showed us:

- Which research companies are interested in out-of-home video
- The breadth of resources available to OVAB members
- The diversity of methods in use

With this initiative, the research community has been notified that OVAB members are ready to raise the bar.

IX. APPENDICES

- A. AUDIENCE METRICS RESEARCH DISCLOSURE FORM
- B. STANDARD RECOMMENDED DEMOGRAPHICS
- C. PROVIDER DIRECTORY
- D. OVAB RESEARCH AND STANDARDS COMMITTEE
- E. OVAB AGENCY ADVISORY BOARD
- F. ABOUT OVAB
- G. ABOUT SEQUENT PARTNERS
- H. UPDATED GLOSSARY OF BUYING AND SELLING TERMS FOR OUT-OF-HOME VIDEO ADVERTISING NETWORKS.





APPENDIX A:

**OVAB® AUDIENCE METRICS RESEARCH
DISCLOSURE FORM**

(PLEASE ATTACH A TECHNICAL APPENDIX, IF AVAILABLE)

A. STUDY DESCRIPTION

Network: _____

Research Provider: _____

Commissioned by: _____

Dates fieldwork was conducted (month, year):

(Began): ___ _____

(Completed): ___ _____

Purpose(s) of the study:

- | | | | |
|---------------------------|--------------------------|-------------------------|--------------------------|
| Audience Measurement | <input type="checkbox"/> | Programming | <input type="checkbox"/> |
| Reach & Frequency | <input type="checkbox"/> | Attitudes | <input type="checkbox"/> |
| Advertising Effectiveness | <input type="checkbox"/> | Lifestyles | <input type="checkbox"/> |
| Total Venue Traffic | <input type="checkbox"/> | Product Purchase | <input type="checkbox"/> |
| Advertising Engagement | <input type="checkbox"/> | Inter-media Comparisons | <input type="checkbox"/> |
| Other | <input type="checkbox"/> | Please specify: | _____ |

VI. Vehicle Audience Calculation:

How were the measured dimensions, as defined above, combined to calculate Vehicle Audience?

Reach & Frequency Metrics:

Please identify the Reach and Frequency metrics provided, the data captured for this purpose and the method of calculation.

Reach and Average Frequency:

Yes

No

If yes, describe the data captured and the method of calculation used:

Frequency Distribution

Yes

No

If yes, describe the data captured and the method of calculation used:

B. DETAILED METHODOLOGY REVIEW

I. Type of study design (please check all that apply):

- Probability sample [sampling units at every level selected randomly]
- Non-probability sample [one or more sampling units selected non-randomly]
- Stratified
- Clustered
- Other: _____

II. Data Collection Method (please check all that apply):

For which metrics or metrics
dimensions:

- Personal Interview – in-home _____
- Personal Interview-at work _____
- Personal Interview – venue Intercept _____
- Technology-based passive counting _____
- Manual passive counting _____
- Internet _____
- Telephone _____
- Mail _____
- Other Please specify: _____

III. Study Universe:

Please enter the specific population to be represented (e.g., Total adults in the U.S, vs. individuals with defined characteristics, such as women in a given market, hotel guests, mall shoppers, etc.)

IV. Sample Frame:

Please describe the base from which respondents/sampling units are drawn (e.g., telephone households, internet users, health club members, shoppers at a specific mall):

V. Selection of Locations:

Please indicate how geographic areas, venues and specific locations were selected for the sample:

Market	Venue	Specific Location Selection Rationale
Total U.S.		

VI. Selection of Individuals:

Please indicate how individuals were selected at each of the selected sampling locations:

VII. Target Populations' Sample Size:

Please enter primary targets and sample sizes. If sampling error estimates are available please append them to this document:

Demographic target	Sample Size
Total Adults	

VIII. Response Rate (for probability samples only):

The number of completed interviews as a percentage of the originally designated respondents, less those disqualified, as recommended by AAPOR. A detailed response rate calculator can be downloaded from this page of AAPOR's site: <http://www.aapor.org/responseratesanoverview?s=response%20rate%20calculator> . A simplified version of this calculation follows:

Sample Disposition	% of Starting Sample
(a) Completed interviews/observations	
(b) Incomplete interviews/observations	
(c) Refusals	
(d) Non-contacts among known eligibles	
(e) Non-response among other known eligibles	
(f) Non-response among sample of unknown eligibility	
(g) Estimate of eligibles among (f) this could come from the percent of eligibles among the sample that has been contacted	
(h) RESPONSE RATE	$a/\{(b+c+d+e) + (g*f)\}$

IX. Were incentives used?

Yes

No

If yes, please describe:

X. Was in-tab sample data weighted?

Yes

No

If yes,

	Yes	No
<i>Was probability of selection weighting employed?</i>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Range: ___ to ___		
<i>Was non-response weighting employed?</i>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Range: ___ to ___		
<i>Was sample balancing weighting employed?</i>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Range: ___ to ___		

XI. Are materials available for review?

Questionnaire forms Yes No

Fieldwork instruction forms Yes No

Contacts

At Research Company

Name: _____

Email: _____

Phone: _____

Name: _____

Email: _____

Phone: _____

At Commissioning Company

Name: _____

Email: _____

Phone: _____

Name: _____

Email: _____

Phone: _____

Submitted by: _____

Title: _____

Company: _____

Date: _____

Signature : _____

APPENDIX B:

STANDARD RECOMMENDED DEMOGRAPHICS:

(These are the standard breakouts used in media research; each study should include only those that are relevant.)

Sex:

- Male
- Female

Age:

- 18+
- 18-24
- 25-34
- 35-49
- 35-54
- 50-64
- 50+
- 55+
- 65+

Additional data highly valued:

- 2-11
- 12-17
- 18-21

HH Income:

- Under \$20,000
- \$20,000-\$49,999
- \$50,000-\$59,999
- \$60,000-\$74,999
- \$75,000-\$99,999
- \$75,000+
- \$100,000+

Individual Employment Income:

- Under \$20,000
- \$20,000-\$49,999
- \$50,000-\$59,999;
- \$60,000-\$74,999;
- \$75,000-\$99,999;
- \$75,000+,
- \$100,000+

Education: Last grade completed:

- Grade school (8th grade) or less
- Some High School
- High School Graduate
- Some College
- College Graduate or higher

Marital Status:

- Married
- Domestic partnership
- Widowed
- Divorced or Separated
- Single (never married)
- Parent
- Pregnant

Race:

- White
- Black
- Asian
- Multi-racial
- Other
- Hispanic Descent

HH Size:

- 1 member
- 2 members
- 3 members
- 4 or more members

Presence of children:

- None in the household
- Any children under 18
- Youngest child under 6
- Youngest child 6-17
- Male child(ren) under 18
- Female child(ren) under 18

Employment Status:

- Employed full time (35 or more hours)
- Part Time (less than 35 hours)
- Self-employed
- Unemployed
- Retired
- Student (full time)
- Homemaker (not employed outside the home)
- Disabled
- Other

County Size (of residence):

- A County
- B County
- C County
- D County

Geography (of residence):

- National (as appropriate)
- DMA
- Metro
- Coverage Area

Geographic Region (of residence):

(as defined by Census)

- Northeast
- North Central
- South
- West

(as defined by Nielsen)

- Northeast
- East Central
- West Central
- South Pacific,
- Pacific

Home Ownership:

- Own home
- Rent
- Live Rent Free

APPENDIX C:

PROVIDER DIRECTORY:

Research providers who cooperated with this project are listed below:

RESEARCH PROVIDERS

- Arbitron/Scarborough

Arbitron

142 W. 57th Street

NY, NY 10019-3300

Rob Winston, Senior Account Manager, Arbitron Out-of-Home

robert.winston@arbitron.com

Michelle Lorenz , Senior Account Manager, Southern Region

Arbitron Television Services

michelle.lorenz@arbitron.com

Scarborough Research

770 Broadway

New York, NY 10003

Bob Cohen, President & CEO

BCohen@scarborough.com

Jane Traub, Senior Vice President of Research

JTraub@scarborough.com

- Carroll Media Services, Inc.

11180 State Bridge Rd.

Suite 207

Alpharetta, GA 30022

Glenn Carroll, President

g.carroll@carrollmedia.com

- Certified Marketing Research Services

7 Hudson Street

Kinderhook, NY 12106

Jacqueline Mueller, Sales & Marketing Manager

jmueller@certifiedmarketingresearch.com

Maria Bruno, Vice President, Chief Operating Officer

MBruno@certifiedmarketingresearch.com

- Edison Media Research

6 W. Cliff St.

Somerville, NJ 08876

Joe Lenski, Executive Vice President

jlenski@edisonresearch.com

Tom Webster, Vice President

twebster@edisonresearch.com

- Knowledge Networks

570 South Ave. East,

Cranford, NJ 07016

David Tice, Vice President, Client Service

dtice@knowledgenetworks.com

- MRI

75 Ninth Avenue, 5th Floor

New York, NY 10011

Jay Mattlin, SVP of New Ventures

Jay.Mattlin@mediamark.com

- The Nielsen Company

770 Broadway

New York, NY 10003

Paul Lindstrom, Senior Vice President, Nielsen Media Research

Paul.Lindstrom@Nielsen.com

- **Peoplecount**

263 Adelaide Street West, Suite 204

Toronto, Ontario, Canada M5H 1Y2

Kelly McGillivray, President and Chief Methodologist

kelly@peoplecount.biz

- **VideoMining Corporation**

403 S. Allen Street

Suite 101

State College, PA 16801

Varij Saurabh, Product Manager, Business Analytics

vsaurabh@videomining.com

TECHNOLOGY PROVIDERS

- **ShopperTrak RCT Corporation**

200 West Monroe, 11th Floor

Chicago, IL 60606

Bill Martin, President & CEO

bmartin@shoppertrak.com

Shana Lussenhop, Product Manager

slussenhop@shoppertrak.com

- **TruMedia**

12610 Race Track Rd

Tampa, FL 33626

Dr. Vicki Rabenou, Chief Measurement Officer

vicki@tru-media.com

APPENDIX D:

OVAB RESEARCH AND STANDARDS COMMITTEE

OVAB Research and Standards Committee members include the following industry professionals:

- Chris Goumas, Access 360 Media, Inc
- Alan Lutrin, AdSpace Networks
- Nurlan Urazbaev , BroadSign International, Inc
- Sarah Nastasi, Captivate Network
- Chris Gayton, Channel M
- Joann Ellis, Health Care News Network
- Jennifer Friedlander, IdeaCast, Inc.
- Mark Mitchell, Office Media Network
- Mike Quinn, Premier Retail Network
- Jim Bell, Reactrix Systems, Inc.
- Lauren Zweifler, Screenvision
- Peter Bowen, SeeSaw Networks
- Mikael Thygesen , Simon Brand Ventures, On Spot Digital
- Anna Kruse, Target
- Lee Levitz, Zoom Media

APPENDIX E:

OVAB AGENCY ADVISORY BOARD

OVAB Agency Advisory Board members include the following industry professionals:

- Bob Martin, Bob Martin Media Consulting
- David Verklin, Carat
- Heather Armstrong, GSD&M's Idea City
- Baba Shetty, Hill Holliday
- Ryan Laul, Hyperspace Digital
- Alan Schulman, imc2
- Alec Gerster, Initiative
- Kris Magel, Initiative Media
- David Krupp, Kinetic
- Enza Veltri Chiodi, MacDonald Media
- Norm Chait, Media Vest
- Christina Radigan, OMG
- Jeff Minsky, OMD
- Dave Matera, OOH Pitch
- Judi Crisileo, Outdoor Services
- Jim Spaeth, Sequent Partners
- Chris Boothe, Starcom
- Jack Sullivan, Starcom
- Daniel Wilkins, Wilkins Media Company
- Sarah Brasfield, Zenith Optimedia

- Robert Jayson, Zenith Optimedia
- Damon Peirson, Zenith Optimedia

APPENDIX F:

ABOUT OVAB

THE OUT-OF-HOME VIDEO ADVERTISING BUREAU seeks to help both the advertising community and the operators of out-of-home video networks to measure and maximize value from these powerful media platforms. Our mission is to:

- Educate the advertising community on the power and availability of out-of-home video networks and promote their use
- Identify ways to make it easier for advertisers to plan, buy, and evaluate the effectiveness of advertising on out-of-home video networks through the development of standards and industry-wide research
- Demonstrate and promote the effectiveness of out-of-home video advertising
- Create a forum for substantive, ongoing collaboration between advertisers, agencies, and the networks to drive continuous improvement for all stakeholders

APPENDIX G:

ABOUT SEQUENT PARTNERS

SEQUENT PARTNERS is a consulting firm that was formed in 2003 specifically to advance the practice of linking marketing and media metrics to financial metrics. This is done to help advertisers and the media better measure and manage not only marketing investments and their short-term returns, but also the long-term value of marketing assets such as brands, customer relationships and marketing capabilities including market knowledge. Though rarely measured well, such intangible assets account for the majority of the value of leading market-focused firms. By working to help clients more effectively manage these highly valuable assets in financial terms, we can enable them to build brand and customer value, in order to grow total shareholder returns. In six words, we focus on “*customer value...brand value...shareholder value.*” We believe these three components of value can, and should, be linked in financial terms.

Very shortly after Sequent Partners was formed, early clients and other marketplace players made it clear that the media world is one of the most promising arenas in which to apply the Company’s core principles described above. Given the importance and increasing complexity of media investments for brand building, it is not surprising that most of our clients have seized on Sequent Partners’ unique capabilities in the media and advertising space. Therefore, most current consulting assignments of this highly specialized company focus on helping leading advertisers, leading media companies and associations, and leading research organizations to navigate today’s rapidly and extensively changing media landscape. Our assignments have focused on key performance metrics development and new media measurement and strategy.

Clients have come to Sequent Partners for thought leadership and analytically-oriented consulting to help their companies leverage the rapidly expanding range of media options and to better build their brands. Recent highly visible engagements have included Project Apollo, Ball State University's Media Acceleration Project, Nielsen's Council for Research Excellence's Video Consumer Mapping Study (with BSU), and the measurement guidelines initiative for OVAB (the new and explosively growing Out-of-Home Video Advertising Bureau). Less visible but equally important are a variety of client-confidential consulting projects related to media, advertising, and brand building metrics.

As captured in the brief bios below, Sequent Partners brings a depth of experience to help address client needs. More information is available at www.sequentpartners.com.

Customer Value...Brand Value...Shareholder Value ®

BILL MOULT is a Founding Partner of Sequent Partners. Immediately prior to co-founding Sequent Partners LLC in 2003 as a brand and media metrics consultancy, Bill served as President of the Marketing Science Institute, a non-profit organization that combines the resources and efforts of world-class marketing organizations and leading researchers from marketing academia worldwide, to advance the science of marketing. Having joined MSI in early 2000, Bill co-founded in 2002 the first worldwide CMO Summit with the Wharton School and McKinsey & Company.

For most of the 1990s, he was President and CEO of ASI Market Research and then IPSOS-ASI, the world's largest provider of TV advertising testing, and a leader in other aspects of advertising research. For most of the 1980s, Bill was President of BASES (now a part of The Nielsen Company). During this period, BASES

became the U.S. market leader and then the world leader in new product forecasting.

He received dual Bachelor's Degrees in Management Science and Psychology from Carnegie-Mellon University, an MBA from the Wharton School, and a Doctorate in Marketing from the Harvard Business School.

Bill.Moult@sequentpartners.com, 617.877.3191

STEVE SINGER is a Senior Consultant with Sequent Partners LLC and the founder/President of the advertising and media research consultancy, TSG, Inc., since 1997. TSG, Inc. provides a broad spectrum of services to its advertising agency and media sales organization clients.

Steve's experience in media planning and research includes 20 years at major agencies during which he was Director of Research for two of the industry's most prestigious companies: BBDO and Y&R. He also led the entire media operation including buying, planning and research at Slater Hanft & Martin. In 1990, he helped launch the Network Television Association which represented ABC, CBS and NBC broadcast television networks to advertisers and agencies and also served as director of research for Eller Media Company, at that time the largest outdoor company in America.

Steve's industry leadership roles have spanned virtually all media including: Chairman of the ARF's Video Electronic Media Council, Chairman of the Agency Media Research Council, President of the Radio and TV Research Council, and he is currently serving on the TAB's Out-of-Home Technical Committee.

Steve.Singer@sequentpartners.com, 203.966.0651

JIM SPAETH is a Founding Partner of Sequent Partners.

Immediately prior to co-founding Sequent Partners LLC as a brand and media metrics consultancy, Jim served as President of ARF, The Advertising Research Foundation, for seven years. Under Jim's leadership, ARF expanded its scope to incorporate all aspects of market research practice on a global basis. Recent ARF priorities of relevance to the venture include Marketing and Media ROI, CRM, Brand Valuation, Digital Marketing and the transformation of the research function from a business focused social science to a business discipline focused on value creation through the application of social science technology. Jim and his team established ARF's mission as profitable business through effective research and insights.

Prior to his leadership role at ARF, Jim spent over a decade developing new research tools to improve clients' business performance. He has also led the media research and planning function at General Foods and Young & Rubicam. Jim is the co-author of Market Research Matters and numerous articles, as well as a frequent conference speaker. He has served on the boards of a number of industry associations. Jim holds a B.A. in Mathematics, an M.S. in Econometrics and a Ph.D. in Economics.

Jim.Spaeth@sequentpartners.com, 914.271.5162

APPENDIX H:

**GLOSSARY OF BUYING AND SELLING
TERMS FOR OUT-OF-HOME VIDEO
ADVERTISING NETWORKS**

**PRESENTED BY THE OUT-OF-HOME VIDEO ADVERTISING
BUREAU**

- **Ad Audience:** The number and type of people exposed to the specific ad, with an opportunity to see.
- **Ad Exposure Time:** The number of seconds spent watching and listening to the ad.
- **Ad Exposure Frequency:** The number of separate ad exposures of an ad audience member during the venue visit, or other period.
- **Ad Exposure Reach:** The net number of viewers, of specified characteristics, in the vehicle zone who watched and listened to the ad, during a time period.
- **Ad Rotation Duration:** the number of seconds required to view all of the ads in a rotation or loop.
- **American Association of Public Opinion Research (AAPOR):** A non-profit association whose members are engaged (or interested) in sound, ethical public opinion and survey research.
- **Adjacency:** A commercial time slot immediately before or after a specific ad or program.
- **Alternative Out-of-Home Advertising:** A segment reported advertising expenditures that includes spending on digital billboards, out-of-home television networks and place-based media.
- **Affidavit:** Legitimate proof of posting by the vendor that the advertiser's message ran as scheduled.
- **Animated Sponsorship:** The ability for an advertiser to have an animated logo associated with a particular piece of content.
- **Assets:** Audio, video, still photography, logo graphics etc, and similar elements which are used as components to create finished advertising spots.
- **Audience:** The number and type of people exposed to a vehicle with an opportunity to see the typical advertising unit.
- **Audience Composition:** The demographic and/or socioeconomic profile of the network's audience that is inclusive of the percentage of the total audience falling in each segment.

- **Audited Circulation:** The certification of traffic count or circulation by a recognized third party according to national procedures approved by the buyer and seller community.
- **Avail:** Inventory available for purchase in specific time periods.
- **Average Ad Audience:** the number and type of people exposed to the average ad unit. For most networks this is identical to the Average Unit Audience.
- **Average Unit Audience:** The Vehicle Traffic, with Notice, for a unit of time equal to the typical ad unit.
- **Average Ad Unit Impressions:** The sum of exposures vehicle audiences for a schedule of out-of-home video network announcements. See Gross Impressions.
- **Average Ad Unit Reach:** The net number of people exposed to the out-of-home video network during a given period of time, often one or four weeks. See Reach or Net Reach.
- **Awareness:** knowledge or understanding of an object, idea or thought. In this case, the consumer is cognizant of the out-of-home video network, the programming, and/or the advertising contained within.
- **Back to back:** The running of more than one ad with one immediately following the other.
- **Banner Advertising** Banner advertising displays along the bottom of the screen when either the video advertising is playing, or during programming as a part of a sponsorship.
- **Best Practices:** "The quality of a survey is best judged not by its size, scope, or prominence, but by how much attention is given to [preventing, measuring, and] dealing with the many important problems that can arise." --"What is a Survey?", American Statistical Association, 1996
- **Billboard:** A sponsor announcement at the beginning or end of program content.
- **Bookends:** Two commercial units, usually 15 seconds each, ordered to run specifically in the first and last position of the same commercial break.

- **Campaign:** The planning and execution of a marketing plan, including advertising schedules, promotions, events and other media.
- **Cancellation Policy:** The terms under which an advertiser can cancel an ad unit or units scheduled that has already been purchased and scheduled, including the required amount of advance notice and any applicable financial penalty or consequence for early termination.
- **Captive:** An audience confined to an area in which consumers have a strong likelihood of being exposed to the messaging. (See also, Self Directed Engagement).
- **Channel:** A specific, prescribed, or official course or means of communication. In regards to out-of-home video, this refers to a particular network of venues.
- **Compliance:** Fulfilling the terms and requirement of a buy; delivering what is due.
- **Confirmation:** Written verification that the order has been received and will clear.
- **Coverage area:** Geographic area covered by network installations.
- **CPM (Cost-Per-Thousand):** The cost to generate 1,000 impressions.
- **CPP (Cost-Per-Point):** The cost to buy one rating point, or one percent of the population in a defined geography or universe.
- **Cume:** The unique number of people exposed to the out-of-home video network during a given day, week, four-week or other period of time. Synonymous with “Reach.”
- **Daypart:** A partial segment of a medium’s overall operating hours, during which programming and/or advertising is customized to appeal to a particular demographic or target audience.
- **Digital Advertising Networks:** Digital networks integrating targeted entertainment and/or information program content with advertising narrowcast through digital networks and/or screens in place based venues such as big box and small retail, transit, malls,

grocery, health clubs, medical offices, gas stations, office buildings, hotels and other out of home consumer venues.

- **Digital Billboards & Displays:** Communicate advertising-only messages through screens equipped with LED (Light emitting diode) or LCD (Liquid crystal display) technology, often changing at predetermined times, or through motion recognition technology, to showcase multiple brands.
- **Digital Sign:** A display device that has the ability to display dynamic advertising and replaces static billboards and posters.
- **Digital Signage Network:** The connected grid of digital signs, which can be controlled remotely (via the internet).
- **Discrepancy:** When an invoice and the original order for an advertisement do not match.
- **DMA:** A geographic area defined by Nielsen Media Research as a group of counties that make up a particular TV market, in which the preponderance of TV viewing is from TV stations located in the particular market.
- **Dwell time:** The amount of time a viewer is in a vehicle zone; the number of seconds the viewer is in a location from which the vehicle is visible and, if appropriate, audible.
- **Engagement:** The degree to which consumers focus or pay attention to a particular program or message. The level of engagement can be a function of the message's relevancy to the consumer, the degree of interactivity of the medium, the nature of the consumer exposure (e.g., stationary vs. in-movement impressions, captive vs. non-captive audience, etc.) and the breadth of competing messaging.
- **Exposure:** A consumer's experience with an advertising medium or message.
- **Eyes-On:** A new measurement for traditional Outdoor which reflects the probability that a person notices a billboard, and therefore, the advertising on it.
- **Favorability:** Positive perceptions of a particular brand or product which have been influenced by messaging and/or experience.

- **Flight:** The Advertising campaign period for a particular advertising spot or spots, expressed in days or weeks. Also known as duration.
- **Frequency:** The average number of times a person is exposed to a message, program or network within a given period of time, often one or four weeks.
- **Frequency distribution:** The percentage of respondents reached at each level of exposure to an advertising schedule.
- **Gross Impressions:** The sum of exposures to a schedule of out-of-home video network announcements.
- **Gross Opportunity to View Audience:** The total number of incidences, over a period of time, where consumers are in an area where they have the opportunity to view an installed network. This number can be reported by demographic segment.
- **Gross Viewers:** The total number of viewing incidences, over a period of time, to an installed network. This number can be reported by demographic segment.
- **“Gross” vs. “Unique”:** Audience measures can be reported as either “Gross” or “Unique”, where “Gross” the total number of incidences occurring during a period and “Unique” is the total number of individuals during a period.
- **GRP’s (Gross Rating Points):** The total number of rating points achieved for a particular period of time or schedule of advertisements.
- **Impression:** Exposure to an out-of-home video network, program or message.
- **Incentives:** Financial or other offerings that are designed to increase participation in a survey.
- **Loop:** Segments of content and advertising programmed to a specific length that then repeat on standard intervals. Example: A six minute loop that contains 11-15 second ad positions along with editorial content. The loop repeats 10 times an hour, providing 10 plays for each message per hour, each message playing once in the loop.

- **Lower Third:** Information, graphics and/or animation overlaying video. Also known as chyrons and superbars.
 - **Bug:** An embedded graphic icon or logo used to brand an out-of-home video program
 - **Ticker:** A ticker or crawler is a small screen space dedicated to presenting headlines, promotions and other vital pieces of information.
- **Lowest Unit Rate (LUR):** The lowest rate offered by the network to any advertiser for a specific class of time.
- **Make-Good:** Refers to an advertisement that did not run as originally scheduled and is being re-scheduled with the intent to fulfill the original order/contract.
- **Narrowcast:** Program content designed to reach a specific group defined by a particular demographic.
- **Net Reach:** see Reach.
- **Non-Probability Samples:** Any of several different sampling schemes in which the elements in the "sampling frame" do not have both a known and a non-zero probability of selection. It is impossible to calculate the size of this type of study's margin of sampling error. However, this does not stop some research companies from calculating sampling error with a non-probability sample - it just makes their calculations meaningless.
- **Notice:** Looking at a vehicle while in the vehicle zone.
- **Opportunity to See (OTS):** The probability of being exposed to a medium's content and/or the advertising it contains. OTS does not require actual exposure to all content or advertising.
- **Out-of-Home Video Network:** Video networks integrating targeted entertainment and/or information program content with advertising narrowcast through digital networks and/or screens in place based venues such as big box and small retail, transit, malls, grocery, health clubs medical offices, gas stations, office buildings, hotels and other out of home consumer venues.

- **OVAB** (Out-of-home Video Advertising Bureau): The media trade association that is a resource for information on out-of-home video advertising, standards and metrics.
- **Passive methods:** Methods for collecting information that do not require a respondent's active participation.
- **Piggyback:** Slang for two commercial announcements from the same sponsor that are presented back-to-back within a single commercial time segment. An example of this is two 15-second commercials in a 30-second time slot. This is also called double spotting.
- **Pod:** A grouping of commercials and non-program material in which more than one advertiser's commercials air. Also referred to as a commercial interruption or commercial break.
- **Post Buy or Post Analysis:** In-depth analysis executed after the flight has completed.
- **Presence:** The most basic qualification for vehicle audience exposure is to be in the Presence of that vehicle. For a vehicle with sound, it means being in a location where the vehicle is audible. In all cases, it requires being in a location where the vehicle is visible.
- **Probability sampling:** Any of several different sampling approaches in which each element in the population has a known, non-zero probability of being selected.
- **Purchase Intent:** The likelihood that an individual consumer will buy a particular product.
- **Rating:** The estimate of the size of the audience, expressed as a percent of the audience population. The percent sign is not shown and the rating may represent overall viewing or a specific segment of audience viewing within a defined geography or universe.
- **Reach:** The net number of people exposed to the out-of-home video network during a given period of time, often one or four weeks.

- **Recall:** The ability to remember a particular advertisement or segment from within an out-of-home video program. This can be measured with (aided) or without (unaided) prompting.
- **Response Rate:** The percentage of eligible sample units that provide usable, complete information in a survey.
- **Rotation:** A “rotation” is one ad position in a loop.
- **Sample frame:** A listing that should include all those in the population to be sampled and excludes all those who are not in the population.
- **Schedule:** The advertising purchased from a vendor and defined by the variables of market, number of advertising units, flight, length of advertising and rotations.
- **Self-Directed Engagement:** Media delivered in an environment in which the potential audience makes a conscious decision to engage with the messaging.
- **Sentiment:** Cognitive perceptions or emotional feelings toward a particular brand or product.
- **Sponsorship:** The ability for an advertiser to have their logo associated with a particular piece of content as in sponsored by “Advertiser”. An animated sponsorship is same as above with an animated logo of advertiser.
- **Study design:** The specification of the sample frame, sample size and the system for selecting and obtaining information from/about individual respondents in the population.
- **Synchronized Ad:** An advertisement that runs adjacent to a specific type of programmed content (i.e. a Fidelity Ad running next to stock market update content), similar to contextual advertising.
- **Target Audience:** A defined group of people at which an advertiser’s message product or service is aimed.
- **Traffic Count:** The number of people who enter a venue.
- **Unit:** Duration of the Network’s typical Ad Unit.
- **Vehicle Audience:** Vehicle Traffic with Notice. A Vehicle Audience metric suitable for comparison to static media.

- **Vehicle Exposure Frequency:** Number of separate exposures of a vehicle audience member during the venue visit or other time period.
- **Vehicle Reach:** The net number of viewers, of specified characteristics, in the vehicle zone who noticed the vehicle, during a time period.
- **Vehicle Traffic:** The number of visits, over aq period of time, with presence in the vehicle zone.
- **Vehicle Zone:** The physical area in which a person is able to see and/or hear a specific, place-based advertising vehicle.
- **Vehicle Zone Dwell Time:** the number of seconds the viewer is in the Vehicle Zone with Notice.
- **Venue:** The place and location of the video advertising network and screens. Examples include supermarkets, office buildings, gas stations and other places where consumers can be found.
- **Venue Reach:** The net number for visitors to the venue during a time period.
- **Venue Traffic:** The total number of visits, over a period of time, occurring in venues (i.e. locations) where a network is installed. This number can be reported by demographic segment.
- **Venue Visit Frequency:** Number of venue visits per visitor during a time period.
- **Venue Visit Time:** the time spent in the venue during the total visit time.
- **Verification:** The process of checking with respondents after they have been interviewed to be sure the person was actually interviewed and that the interview was done correctly and completely – where and when it was supposed to have been done.
- **Video Advertising Networks & Screens:** Video networks integrating targeted entertainment and/or information program content with advertising narrowcast through digital networks and/or screens in place based venues such as big box and small retail, transit, malls, grocery, health clubs medical offices, gas

stations, office buildings, hotels and other out of home consumer venues.

- **Video Advertising:** Full-motion video, with or without audio, commercial, can play full screen or with an enhancing graphical banner.
- **Wait-warping:** An effect of certain types of out-of-home advertising, whereby customers who are entertained while waiting for service experience reduced perceived wait times and increased satisfaction levels.
- **Weighting:** Statistical adjustments, conducted before data are analyzed, which adjust for respondents' unequal probabilities of selection in probability samples.