

September 15, 2009

Recommended Guidelines—DOOH Audience Metrics:

3 Stage Proposal

Executive Summary

CODACAN's early initiatives included two highly successful 'Round Table' forums ('06 & '07) whereby they engaged a representative cross section of senior media buying and planning executives.

The primary message to the DOOH network operators at both forums was clear -

"Continue to pursue greater standardization to make it easier to plan/buy digital out of home. Short term, the industry should develop a standard rate card to enable comparisons among vehicles, and should seek advertiser input to the rate card prior to executing it (to ensure data is meaningful to planners). Over the longer term, the industry should develop standard ratings measurement."

CODACAN members have addressed this issue by developing a 3 Stage platform designed to eventually deliver on the fundamentals of traditional media planning while also tackling the uniquely nuanced challenges in measuring audiences exposed to DOOH venues, namely – ***opportunity to see the screen, dwell time*** and ***loop length***.

These Guidelines are intended to act as an acknowledgment by participating network operators that:

A) These initial basic metrics are essential to the media buying and planning process, and

B) Advertising clients and their agencies are primarily interested in measuring the audience to their specific ads

That said, while some networks may not be able to immediately verify their metrics through credible third party research, each network is committed to the notion (minimally) of providing estimates that address the intent of the Guidelines. In these cases, each individual network's estimates will need to withstand the scrutiny of planners and buyers on a case by case basis.

3 Stages

Stage 1

(Top Line) – Promote the immediate use of (with or without accredited, verifiable research) a Standard Formula for ad audience evaluation, namely:

$$\text{Screen or Network Impressions} \times (\text{Dwell time/Loop Length}) = \text{Ad Impressions}$$

Or

$$\text{OTS the Screen or Network} \times (\text{Dwell time/Loop Length}) = \text{OTS Ad}$$

Stage 2

Announce (by September 30th, 2009) an RFP designed to determine the feasibility, timelines and cost of assigning a single accredited research firm to:

- A) i) - Develop a methodology for verifying impressions for individual screens and/or networks
 ii) - Recommend a methodology for verifying unduplicated reach
- B) Develop a methodology for verifying dwell times of individual screens and/or networks
- C) Assess cumulative reach of participating networks in two test markets (Montreal & Toronto)

Stage 3

Revise the Standard Formula to include the reach numbers if/when they are determined via Stage 2 (A-ii)

Stage 1 – Detail

Promote the immediate use of (with or without accredited, verifiable research) a Standard Formula for ad audience evaluation, namely:

$$\underline{\text{Screen or Network Impressions} \times (\text{Dwell time/Loop Length}) = \text{Ad Impressions}}$$

Required (weekly) Metrics

A. Screen or Network Impressions for each DOOH network or individual outdoor/indoor digital video billboard (determined by a pre-defined area where people have a reasonable opportunity to see the screens).

Several CODACAN members already have COMB approved metrics for ‘static’ locations that are being converted to digital platforms. In these instances, CODACAN encourages the continued use of these COMB approved metrics (weekly impressions/ OTS) as the starting point in their application of the CODACAN proposed formula.

While CODACAN acknowledges the financial challenges that some network operators may face in attempting to provide verifiable weekly impressions, we are nonetheless requesting that each network begin with reasonably defensible estimates that address this initial formula metric. Each network will be evaluated by the buying and planning community based on its own individual merits and arguments.

B. Dwell time (length of time that the ‘audience’ is exposed to a screen and/or network in a defined area equal to the area used to determine the screen and /or network impressions).

In traditional broadcast, the media leap of faith has been (until recently at least) that the measured audience tuned to any given TV program or radio broadcast could be reasonably ascribed to the ads running within that program or broadcast. These programs and broadcasts are DOOH’s equivalent of ‘dwell time’.

Multiple DOOH screens within the same venue and carrying identical content do not add unduplicated reach nor do they add impressions to a specific message by contributing to frequency. Rather, they contribute to aggregate dwell time (these deployments to be assessed and verified through tailored research on a venue by venue basis).

Again, while CODACAN acknowledges the challenges (financial and otherwise) that some network operators may face in attempting to provide verifiable dwell times, we remain committed to the notion that each network begin with reasonably defensible estimates that will be evaluated by the buying and planning community based on individual merits and arguments.

C. Content loop length in minutes (or spacing in minutes between identical ads)

The basic premise is that an ad spot must run 1 x per average dwell time in order to have the opportunity to be exposed to 100% of an individual screen’s (or full network’s) declared audience

Weekly Ad Impressions Template

(all network venue numbers are hypothetical and for demonstration purposes only)

Venue	Weekly Impressions per Screen or Network (OTS)	X	Dwell Time (Minutes)	÷	Ad Loop Length (Minutes)	=	Weekly Impressions per Ad
Commuter Train	800,000	X	40	÷	20	=	1,600,000
Office Tower Elevators	10,000,000	X	1	÷	10	=	1,000,000
Med Center Waiting Rooms	375,000	X	30	÷	30	=	375,000
Outdoor Digital Billboard	7,500,000	X	1.5	÷	3	=	3,750,000
Retail (Box Store)	500,000	X	3	÷	5	=	300,000