



Roadmap for Set-Top Box Data

An Analysis of the STB Data Landscape

Presentation by
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Purpose of the Study

- Provide holistic view of STB data from all aspects and users
- Understand challenges and opportunities
- Facilitate industry roadmap for a variety of potential STB data products – both for measurement and/or to support advanced advertising capabilities

Process

- Confidential interviews with media executives from all aspects of the STB landscape
- Across various job responsibilities
- Questions tailored by type of company
- All responses aggregated and anonymized
- Honest and detailed feedback
- Great support and wide participation



Company Types

- Data Originators (Multi-Channel Video Programming Distributors)
- Data Processors
- Software Vendors
- Programmers, Networks, Content Providers, Local Station Groups
- Agencies and Advertisers
- Hardware Manufacturers, Research Policy Accreditation Organizations



Interviewed **58** separate companies
and **85** policy and decision makers

	<u>Companies</u>	<u>Interviewees</u>
MVPDs	10	14
Data Processors	11	17
Software Vendors	11	16
Networks, Programmers	12	15
Agencies, Advertisers	14	23
	58	85

Questions Asked

- Aspects of optimal media measurement
- Challenges and opportunities of STB data
- Uses and capabilities of the data
- Long and short term goals for the data
- Privacy issues
- How to create representative samples
- Priorities and next steps

Questions varied slightly by Category of Company



Topline Results

STB Data Provides Value and New
Insights and is a Game Changer
for the TV Industry



No one company or source offers a full overview of the STB data industry. This results in disinformation because of conflicting agendas and business models.



Common Themes

- Frustration on progress of STB data rollout
- Need for edit rules and standards
- Need for representative, project-able samples – local and national
- Calculation of data value
- Need to apply value of data to respective business models
- Need for transparency and education



Divergent Attitudes

Depending upon the specific company's business model –

- Implementation runs gamut from ambivalent to enthusiastic.
- Some feel powerless to advance data. Others are deeply involved in the early stages to guide the process.
- What is a challenge or an advantage to one company can be a non-issue to another.
- Priorities vary, causing delays and giving appearance of stagnation.



Progress

- MRC initiative
- Local measurement and long tail networks
- Database matching for segmentation, ROI analyses and advanced advertising

The STB industry abounds in activity and creative innovation.

What's missing?

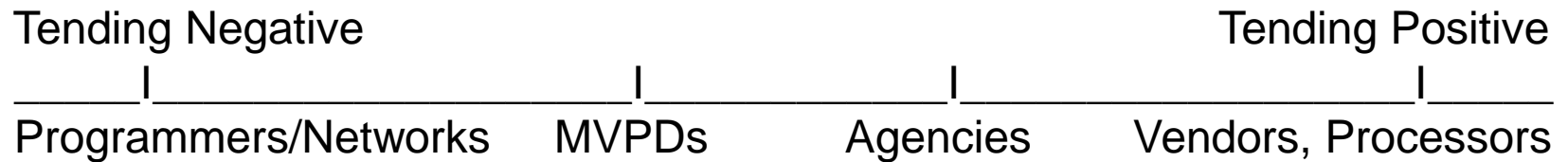


Evolving Landscape

- Technological changes on the horizon such as measurement apps or new boxes that could soon make STB data obsolete and irrelevant.
- But some of these technological advances could help address data shortcomings:
 - Set-Off / Set-On
 - Identification of Demographics

Industry Continuum

Overall Attitudes on STB Data



Wide Ranges of Opinion Across Categories and Within Categories

- Nielsen as a benchmark for STB data?
- Lack of demographics?
- Local market measurement?
- Data vetting and accreditation?
- Measurement of the long tail and niche networks?
- Development of a currency from STB data or ancillary value-added measurements?

Data Processors and Software Vendors

What They Said....

- Optimistic about the data
- Creating a viable business in processing, marketing and selling the data
- A great desire for more data

What it Means....

- More data improves their competitive position
- Highly competitive environment inhibits cooperation for standardization
- Creative applications of the data can yield revenue



Trade Organizations

What They Said....

- Enthusiastic about STB data

What it Means....

- STB data challenges can be overcome through industry initiatives
- Creative solutions are welcomed



Data Originators (MVPDs)

What They Said....

- Taking a careful and slow approach
- Citing privacy as one reason for caution
- Business model is based on subscriptions, not data
- Data used internally for customer satisfaction and carriage negotiations
- “Early adopter” MVPDs are using the data for subscriber and ad models

What it Means....

- Demonstrate data value to justify placing more resources against it



Agencies and Advertisers

What They Said....

- Wait and see approach ... but there are outliers
- Three groups: Early, Middle and Late Adopters
- STB data must prove its value to advance the business and justify the added cost

What it Means....

- Need for transparency



Networks and Programmers

What They Said....

- Most pessimistic
- Some expressed frustration and impatience
- Data issues
- Some had no long tail networks that would benefit
- Smaller networks who initially used STB data have shifted to Nielsen
- Over-the-air or in downscale zip codes with low digital cable penetration

What it Means....

- Need for greater transparency as well as standards and project-ability



Challenges & Solutions

- Technical
- Privacy
- Data Standards
- Representative Samples
- Demographics
- Posting
- Business Models
- Fear of the Unknown



Strengths of STB Data

- Data Granularity, Larger Sample
- Improvement of Local Measurement
- No Minimum Sample
- Measurement of Long Tail and Unmeasured Networks
- More Stable Measurement of Niche Consumer Groups
- Larger Local Market Sub-Samples
- Ability to Measure Out-of-Home
- Ability to Measure Trick Play and DVR Use

Strengths of STB Data

- Ability to Measure VOD and ITV
- Potentially Lower Measurement Cost
- Passive Data Collection
- Potential to Link Cross-Platform Behavior
- Data Matching and Appending
- Addressable Advertising
- Commercials and Commercial Pod Measurement
- New Insights from Click Stream Data



Industry Next Steps: Overview

- Educate the Industry
- Transparency and Dialogue
- Common Language
- Define Foundational Data Standards
- Develop Guidelines for Project-able, Representative National and Local Samples
- Accreditation via the MRC



Industry Next Steps: Details

- Data delivery guarantees
- Find a solution for demographics
- As-run logs to match commercial occurrence and programs
- Inclusion of STB data within planning and buying systems
- Improve append-ability of outside datasets
- Model for missing elements such as OTA and co-viewing
- Addition of DVR usage and out of home
- Cross-Platform measurement



CIMM Roadmap POV

1. Local measurement
2. Granular analytics tool
3. National measurement currency
4. Database matching and advanced advertising

Questions?



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