Measuring Duplication Across Five Platforms

TV-Radio
Arbitron PPM® Panel
(n≈ 70,000)

TV-PC
comScore Panelists
within STB Subscribers
(n≈ 35,000)

TV-PC-Phone-Tablet
Subset of TV-PC Panelists
using Home WiFi
(n≈ 12,500)

Calibration Panel
Subset of Arbitron
PPM® Panel
(n≈ 2,000)

PC-Smartphone-Tablet
comScore MediaMetrix
Multiplatform
(Census)
February 2014: FTC settles Nielsen-Arbitron Merger

FTC Seeks Public Comment on Nielsen Holdings N.V. and Nielsen Audio, Inc.'s Application to Sell Its LinkMeter Technology and Related Assets to comScore, Inc.

January 24, 2014

TAGS: Technology | Bureau of Competition | Competition | Merger

The Federal Trade Commission is seeking public comment on an application by Nielsen Holdings N.V. and Nielsen Audio, Inc. (collectively, Nielsen) requesting FTC approval to sell its LinkMeter cross-platform audience measurement services to comScore, Inc., and to enter into arrangements supporting the divestiture. The divestiture is required under the proposed FTC order settling charges that Nielsen's acquisition of Arbitron, Inc. would lessen competition in cross-platform audience measurement services.

According to the FTC's September 2013 complaint, at the time of the acquisition, Nielsen and Arbitron were both developing national syndicated cross-platform audience measurement services, which allow audiences to be measured across multiple viewing platforms, such as TV and online. The complaint alleges that the elimination of future competition between Nielsen and Arbitron in this market would increase the likelihood that Nielsen would exercise market power and likely cause advertisers, ad agencies, and programmers to pay more for national syndicated cross-platform audience measurement services.

The proposed order requires Nielsen to sell and license, for at least eight years, certain assets related to Arbitron's cross-platform audience measurement services to an FTC-approved buyer. Accordingly, in its petition, Nielsen is seeking FTC approval to sell the LinkMeter assets, license certain assets and capabilities, and provide equipment and services, to comScore. The petition details why Nielsen believes that comScore would be an appropriate party to acquire these assets.

FTC Puts Conditions on Nielsen's Proposed $1.26 billion Acquisition of Arbitron

FTC Order Protects Competition for National Syndicated Cross-platform Audience Measurement Services

September 20, 2013

TAGS: Technology | Bureau of Competition | Competition | Merger | Horizontal

Media research company Nielsen Holdings N.V. has agreed to settle Federal Trade Commission charges that its proposed acquisition of Arbitron Inc. may substantially lessen competition. Nielsen will divest and license assets and intellectual property needed to develop national syndicated cross-platform audience measurement services.

Nielsen and Arbitron are developing national syndicated cross-platform audience measurement services, which allow audiences to be measured accurately across multiple platforms, such as TV and online. According to the FTC's complaint, the elimination of future competition between Nielsen and Arbitron would likely cause advertisers, ad agencies, and programmers to pay more for national syndicated cross-platform audience measurement services.

"Effective merger enforcement requires that we look carefully at likely competitive effects that may be just around the corner," said FTC Chairman Edith Ramirez. "In this matter, the evidence provided us with a strong reason to believe that absent a remedy, the deal was likely to harm emerging competition in the area of cross-platform audience measurement."

The proposed order settling the FTC's complaint is designed to address the competitive concerns raised by Nielsen's acquisition of Arbitron. It requires Nielsen to sell and license, for at least eight years, certain assets related to Arbitron's cross-platform audience measurement services to an FTC-approved buyer, within three months. Under the order, the acquirer will get everything it needs to implement Arbitron's participation in a national

FTC Approves Final Order Settling Charges that Nielsen Holdings N.V.'s Acquisition of Arbitron, Inc. Was Anticompetitive

February 20, 2014

TAGS: Bureau of Competition | Competition

Following a public comment period, the Federal Trade Commission has approved a final consent order settling charges that Nielsen Holdings N.V.'s acquisition of Arbitron, Inc. was anticompetitive.

According to the FTC's September 2013 complaint, at the time of the acquisition, Nielsen and Arbitron were both developing national syndicated cross-platform audience measurement services, which allow audiences to be measured accurately across multiple viewing platforms, such as TV and online. The complaint alleges that the elimination of future competition between Nielsen and Arbitron in this market would increase the likelihood that Nielsen would exercise market power and likely cause advertisers, ad agencies, and programmers to pay more for national syndicated cross-platform audience measurement services.

The final order settling the FTC's charges requires Nielsen to sell and license, for at least eight years, certain assets related to Arbitron's cross-platform audience measurement services to an FTC-approved buyer. The FTC is currently seeking public comment on Nielsen's request for agency approval to sell its LinkMeter technology and related data rights and assets to comScore, Inc.

The Commission vote approving the final consent order was 3-1, with Commissioner Wright voting no and Commissioner Ohmhauser recorded as excused. One comment was received during the public comment period and the FTC staff sent a response posted here. [FTC File No. 131-016B; the staff contact is Catherine Sanchez, Bureau of Competition, 202-326-3320]
“Measurement is the biggest issue that will influence the rate of growth for multi-screen advertising,” said Bill Duggan, Group Executive Vice President of the ANA.
We’ve Been Working Hard ...

• Agreement for Continued Delivery of Project Blueprint Data
• Continuing QA work with comScore
• Participating with other CIMM members in Phase 2
All Media Users Are Multiplatform Users

All demos average around 3 platforms

Total U.S. Media Platform Exposure (Avg Week)

<table>
<thead>
<tr>
<th></th>
<th>P18+</th>
<th>P18-34</th>
<th>P35-49</th>
<th>P50+</th>
<th>M18+</th>
<th>M18-34</th>
<th>M35-49</th>
<th>M50+</th>
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<td>&lt; Avg Platforms</td>
<td>3.1</td>
<td>3.4</td>
<td>3.2</td>
<td>2.8</td>
<td>3.1</td>
<td>3.4</td>
<td>3.1</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Source: Project Blueprint September 2013
80%-90% Of All Users Fall Into Five Groups

% of Population by Platform Usage (Avg Week)

- **P18-34**: 9% Other, 6% All 5, 8% TV-PC-S'Phone, 14% TV-PC-Tablet-Radio, 36% TV-S'Phone-Radio, 10% TV-PC-Radio, 14% TV-Radio
- **P35-49**: 4% Other, 4% All 5, 4% TV-PC-S'Phone, 13% TV-PC-Tablet-Radio, 32% TV-S'Phone-Radio, 20% TV-PC-Radio, 13% TV-Radio
- **P50+**: 21% Other, 21% All 5, 15% TV-PC-S'Phone, 25% TV-PC-Tablet-Radio, 21% TV-S'Phone-Radio, 33% TV-PC-Radio, 13% TV-Radio
- **M18-34**: 8% Other, 8% All 5, 8% TV-PC-S'Phone, 15% TV-PC-Tablet-Radio, 34% TV-S'Phone-Radio, 7% TV-PC-Radio, 12% TV-Radio
- **M35-49**: 7% Other, 7% All 5, 7% TV-PC-S'Phone, 18% TV-PC-Tablet-Radio, 18% TV-S'Phone-Radio, 18% TV-PC-Radio, 18% TV-Radio
- **M50+**: 4% Other, 5% All 5, 4% TV-PC-S'Phone, 25% TV-PC-Tablet-Radio, 21% TV-S'Phone-Radio, 31% TV-PC-Radio, 31% TV-Radio

Source: Project Blueprint September 2013
ESPN’s Reach

- ESPN reached, on average, 36% of men daily
- ESPN content was consumed by 106 million men 18+ in September 2013

![Bar chart showing reach of ESPN content]

Source: Project Blueprint September 2013
To take advantage of ESPN’s total Reach, an advertiser needs to place messages across all platforms.

Source: Project Blueprint September 2013

ESPN Daily Reach Build (Millions)

- Added Reach - Radio: 5.5
- Added Reach - Digital: 5.5
- TV: 29.8

Men 18+
42 million total Reach
ESPN non-TV platforms add reach beyond television during live events.

9/16/2013 MNF Reach Build (Millions)

- Added Reach - Radio: 2.2
- Added Reach - Digital: 4.2
- Total Reach: 21.1

+30% from the previous year.

Men 18+
27.5 million total Reach

Source: ESPN Analysis of Nielsen and Project Blueprint data, 9/16/2013
MNF program on TV, 7P-12A time period on all other platforms.
The ESPN Multiplatform User Emerges Over Time

- Over the course of a month, 50% of men who consume ESPN content do so on more than one platform

<table>
<thead>
<tr>
<th>Day</th>
<th>Week</th>
<th>Month</th>
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<tbody>
<tr>
<td>57%</td>
<td>51%</td>
<td>39%</td>
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</table>

Source: Project Blueprint September 2013
ESPN Multiplatform Users and Usage

- About half of all users during September 2013 were multi-platform users
- However, multiplatform users did most of the consumption

Source: Project Blueprint September 2013 (users/usage in total month)
Users% = % of total users; Usage% = % of total minutes
Multiplatform users consume more ESPN content across different platforms, increasing the total time spent with ESPN media.

Source: Project Blueprint September 2013 (users/usage in total month)
Cross-Platform Makes an Impact

Source: ESPN XP Tracker: 2012-2013 Total Ad Awareness

Ad Awareness

Source: ESPN XP Tracker: 2012-2013 Total Ad Awareness
We Stand At The Crossroads

- Period of unprecedented change in behavior
- Siloed measures are limited
- Project Blueprint reveals the Big Picture

...and we all need it!
We All Need This

• Advertisers/Agencies
  Actual exposure for multiplatform campaign planning

• Programmers
  Need to understand how to grow and serve their audiences

• Everyone
  Because we’re falling behind the consumer
Thank You!

Follow us on Twitter!
@ESPNNResearch