

# Post Analysis Guidelines for Local TV

*Developed by CIMM and TVB*

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## Introduction

The Coalition for Innovative Media Measurement (CIMM) working with the Television Bureau of Advertising (TVB) has engaged with marketers, advertising agencies and publishers within the local TV investment community to promote improvements and updated Post Analysis Guidelines for Local TV.

The local TV advertising industry has seen dramatic changes, but many of our practices and guidelines for local TV post analysis have not changed in decades. Due to fragmentation of viewing audiences and small sample sizes used to measure local TV, ratings and impressions in local markets are subject to high levels of variability and statistical unreliability. To achieve reliable, stable and accurate post analysis, CIMM and TVB have engaged leaders in the industry to develop recommended **Post Analysis Guidelines for Local TV**.

## Post Analysis Guidelines for Local TV

- Use 4-week aggregation and/or aggregation of multiple ad units for post analysis. No day/date-based post analysis should be used.
- The recommended threshold for posting is 90%. A different threshold may be used depending upon the relative error of the audience estimate.
- Flexibility is recommended for tentpole programs such as the Super Bowl, Academy Awards, sports playoffs where aggregation guidelines may not be required due to their higher audience sizes.
- A four-week aggregation and/or aggregation of units is recommended for all markets regardless of methodology where variability is 50% or greater.
- For programs with smaller audiences and sample sizes, greater aggregation of longer time periods or more ad units may be needed.

## Background

Post analysis practices haven't been updated in decades and have not kept up with the fragmentation of audiences in local TV. Small samples used in local markets aren't large enough to create reliable, stable measurements on the day/date basis that are used in some post analyses.

Nielsen has gone on record that due to the relative error of day/date data, greater aggregation of schedules over a longer time period is recommended, either by including several weeks of the campaign and/or by including a greater number of units in order to bring down the relative error.

Tailoring the level of aggregation to specific relative error thresholds would be optimal, but the tools needed to easily measure relative error are currently not in place. As such, using specific relative error thresholds is not practical at this time. It is strongly recommended that measurement vendors quickly develop tools that are easy enough to be used on an ongoing basis and by the average buyer and seller to measure relative error and be incorporated into third party processors systems.

The updated Guidelines apply to panel-based measurement services or to any advertising unit with small audiences. The local TV currency measurement is changing to use a hybrid approach that includes panel data and big data sourced from MVPDs and Connected TVs. However, it is unclear whether the revised measurements will impact relative error, reliability, stability or introduce other types of error. Demographic audiences will be modeled using panel data even for markets that utilize Return Path Data, including MVPD and Connected TV data.

## Frequently Asked Questions (FAQ)

### What is Post Analysis?

In post analysis, the *projected* rating, the buyer and seller's agreed upon audience prior to the ad running, is compared with the *measured* rating after the ad runs. If the measured rating is less than the projected rating, the seller either receives lower compensation based on the measured rating or owes make-goods to compensate for the deficiency. Make-goods are an obligation to run additional ad units in the future at no charge in order to make up for the measured audience delivery deficiency.

*Note that this FAQ refers to "ratings" but applies equally to "impressions" which is a metric commonly used today for local TV buying.*

### Why publish Post Analysis Guidelines?

Unfortunately, many post analysis guidelines that were set up decades ago when TV audiences were much higher are still in place today. Today's significantly smaller program audiences have such high variability and standard error that Nielsen recommends longer time frames and increasing the number of spots to be included in post analysis.

Despite these marketplace changes and even though the practice is not supported by the audience measurement, "day/date-based" post analysis continues to be used. To address this, the Coalition for Innovative Media Measurement (CIMM) and the Television Bureau of Advertising (TVB) have engaged leaders in the industry to develop recommended Post Analysis Guidelines.

### What is "Day/Date" Post Analysis?

"Day/date" post analysis is the practice of using the exact quarter-hour in which the ad ran as the basis for comparing the projected rating to the measured rating. This is where the process breaks down, because sample sizes in local TV markets are far too small to support this level of granularity in the post analysis. Due to fragmentation of viewing audiences and small sample sizes, there is a high level of statistical unreliability and variability in the measured ratings. Where differences between the projected rating and the measured rating occur, the differences are typically caused by small sample sizes, not actual under-delivery of the audience.

### What is a posting "threshold"?

Posting threshold refers to the sensitivity of the comparison between the projected rating and the measured rating. The Guidelines recommend a 90% posting threshold, meaning that if the projected rating is +/- 90% of the measured rating, no make-goods are owed. A different threshold may be used depending upon the relative error of the audience estimate.

## **How does Day/Date post analysis impact buyers and sellers of local TV advertising?**

- Using unreliable time frames, including Day/Date post analysis, hurts both buyers and sellers. Post Analysis Guidelines for Local TV Frequently Asked Questions (FAQ) July 2024
- Use of an unstable timing framework can penalize buyers for not meeting goals, while post analysis that includes more stable time frames, by aggregating schedules and units, may indicate that clients are being well served.
- Stations and local cable operators owe make-goods or accept lower compensation because of unreliable measurement, not because they under-delivered the audience. Stations and local cable operators are not getting fair compensation for their ad inventory.
- The process adds time and expense to local TV ad buying.

## **How are programs with high ratings impacted by the Guidelines?**

Tentpole events with large audiences, such as the Super Bowl, Academy Awards and sports playoff games, have large enough audiences and large enough sample sizes that 4-week aggregation and aggregation across units may not be required.

## **Will inclusion of big data such as MVPD “set top box” and Connected TV data impact the recommendations?**

The Guidelines apply to panel-based measurement services or to any advertising unit with small audiences. Non-panel-based or hybrid (panel + big data) measurement services may have different requirements depending upon the type of error related to that measurement. “Big data” refers to Return Path Data such as Set Top Box (STB) data from Multi-Channel Video Programming Distributors (MVPDs such as cable, satellite and fiber TV/video delivery services) and/or data from Connected TVs, which refer to television sets connected to the Internet and television sets using Over-the-Top (OTT) services that enable the television set to receive video through the Internet.

The updated Guidelines apply to panel-based measurement services or to any advertising unit with small audiences. The local TV currency measurement is changing to use a hybrid approach that includes panel and big data; however, it is unclear whether the revised measurements will impact relative error, reliability, stability or introduce other types of error. Demographic audiences will be modeled using panel data even for markets that utilize big data.

## **What is Nielsen’s position?**

Nielsen clients are encouraged to contact Nielsen directly about this important issue. Nielsen has gone on record and published several analyses that demonstrate, due to the relative error of day/date data, greater aggregation of schedules over a longer time period is recommended, either by including several weeks of the campaign and/or a greater number of units in order to bring down the relative error.

## **How quickly will agencies and auditors implement the new guidelines?**

Many agencies and marketers knowledgeable of the changes in the media landscape already use more stable time frames for post-analysis, including 4-week aggregation and aggregation of units. It is hoped that the efforts of this project will educate others in the industry to make the needed changes. Post Analysis Guidelines for Local TV Frequently Asked Questions (FAQ) July 2024

## **Were other alternatives considered?**

Tailoring the level of aggregation to specific relative error thresholds would be optimal, but the tools needed to easily measure relative error are currently not in place. As such, using specific relative error thresholds is not practical at this time. It is strongly recommended that measurement vendors quickly develop tools that are easy enough to be used on an ongoing basis and by the average buyer and seller to measure relative error and be incorporated into third party processors systems.

## **About CIMM and the TVB**

**The Coalition for Innovative Media Measurement** (CIMM-US.org) is comprised of leading TV and video content providers, media buying agencies, large advertisers, pay TV distributors, research and media technology vendors and consultants that aim to promote improvements, best practices and innovations measurement, metrics and data across the media and advertising ecosystem. CIMM is a division of the ARF (Advertising Research Foundation), which aims to further, through research, the scientific practice of advertising and marketing.

**The Television Bureau of Advertising** (TVB.org) is the not-for-profit trade association representing America's local broadcast television industry, including linear and digital platforms. Its members include the U.S. television stations, television broadcast groups, advertising sales reps, syndicators, international broadcasters and associate members. TVB actively promotes local media marketing solutions to the advertising community and works to develop advertising dollars for the medium's multiple platforms, including on-air, online and mobile. TVB provides a diverse variety of tools and resources, including its website, to support its members and to help advertisers make the best use of local ad dollars.

