



Outdoor Industry Announces "Biggest Advance in Media Measurement" in Past 20 Years

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By Jack Myers

"This is the biggest advance in media accountability since Nielsen introduced the people meter 20 years ago." *Erwin Ephron*

"This is the most exciting project that I have worked on in my career."

Joseph Philport, President, The Traffic Audit Bureau for Media Measurement

Industry research veterans Ephron and Philport are referring to the new out-of-home "Eyes On Ratings" industry initiative announced last week at the **OOH Advertiser Forum** presented by the ANA, OAAA and TAB. The out-of-home industry is investing an estimated \$25 million to create a new measurement system that establishes the medium at the forefront of media research, delivering the holy grail of actual ad exposure. "No visual medium -- TV, radio, Internet and print -- measures people seeing advertising but next year outdoor will be the only visual medium reporting people seeing advertising," Ephron commented.

Recalling that the Advertising Research Foundation recommended 15 years ago that television networks should measure 'eyes on the screen' because seeing the ad is what advertisers are buying, Ephron pointed out the TV medium still continues to measure audiences' opportunity to see a program, but not actual program or ad viewing. "Nielsen meters record watching when people aren't seeing," he said reiterating "in 2008 outdoor will be only visual medium recording how many people fix on advertising. The Eyes On Ratings advertising research initiative reduces audience count by the probability that passers-by will actually see advertising units," he said. Data is currently being developed in 200 U.S. markets for delivery in the fourth quarter of 2008.

Ephron advised that the study uses two sets of data: physical attributes of each outdoor unit plus adjustments for how those attributes affect the probability that the unit will be seen. This second measure is determined by tracking eye fixations in actual drive by and walk by

simulations. This permits, for the first time, outdoor audiences to be segmented by demographics and reach frequency, based exclusively on people who actually see ads. Information on the study is available at www.eyesonratings.com.

"Why just outdoor," Ephron asked the audience. "All visual media should be adjusted. Why not adjust print for use of fractional units or position in the issue? Why not adjust TV audiences for pod positions and length of message, commercial avoidance, leaving the room? Data is available and smart agencies are making these adjustments on an ala carte basis." He acknowledged a reason outdoor is leading in eyes-on measurement is the adjustment for seeing ads will affect outdoor less than other media. "It reduces frequency and has little affect on reach," he added. Wachovia Capital Markets forecasts that Eyes On Ratings will bring a potential \$7 billion increase in OOH advertising revenues. Jack Myers Media Business Report projects total out-of-home and place-based advertising spending (excluding cinema) will total \$6.97 billion in 2007, increasing 8.6% year-to-year but representing just 3% of total ad spending. Myers projects OOH will grow an additional 8.0% in 2008.

"To increase our share," commented Jean-Luc Decaux of **JCDecaux** at a later panel moderated by Jack Myers, "we need to take a leadership position." Wally Kelly, CEO of **CBS Outdoor** (who was referred to as the Dr. Seuss of the media business by earlier speaker Jim McCann of 1-800-Flowers) commented that industry leaders were funding the study in response to advertiser and agency executives' requests that the medium address actual ad exposures. Paul Meyer, Global President and COO of **Clear Channel Outdoor** commented that one of the most important shifts has been the vocal support of agency and advertiser executives such as **Carat** CEO David Verklin, who spoke earlier at the event, and **Ford Motor Company** Global Media Manager Mark Kaline, who was event co-chairman.

"We are asking buyers and sellers to go from a shallow measurement system to a more complex system," said Philport. "We need to build consensus and communicate the value of embracing a new measurement system. We think that other media sectors will be watching us to see how our approach might be adapted to their needs (e.g. using set top cable boxes for set tuning and integrating demo's and eyes on adjustments)."

Philport commented "I've been around the industry for a while (agency side as well as Nielsen, Arbitron and AGB) and must say that this is one of the most exciting challenges I've ever been involved in. Our members, both buyers and sellers, have articulated the need and supported the effort. It will truly be a measurement system designed by a media industry for the industry."

The study, Philport announced, represents an integrated system that will be flexible and accept new information easily to refresh and update and improve. "We have designed a plug and play system that can utilize multiple sources of data and upgrade our system over time without having to start from scratch." The system will also integrate with other established research methodologies, including Department of Transportation census surveys on travel, MRI, Telmar, MAP, PRS, and GfK Custom studies. The Eyes On Ratings data will incorporate in-market traffic flow, vehicular audience data and pedestrian traffic flow. Most importantly to agencies and advertisers, the study will conform to third party analytic services for integration into media planning optimizers and data will also be fed to advertisers for integration into their ROI processes and marketing mix analytics.

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